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ALASKA HIGHWAY PIPELINE INQUIRY

IN THE MATTER OF AN APPLICATION BY FOOTHILLS PIPE
LINES (YUKON) LTD. TO THE MINISTER OF INDIAN AFFAIRS
AND NORTHERN DEVELOPMENT FOR A GRANT OF THOSE
INTERESTS IN THOSE AREAS OF TERRITORIAL LANDS IN THE
YUKON TERRITORY AS MAY BE NECESSARY FOR THE CONSTRUC-
TION AND OPERATION OF THE SAID NATURAL GAS PIPELINE
AND THE WORKS AND FACILITIES CONNECTED THEREWITH AND
INCIDENTAL THERETO,

AND

IN THE MATTER OF A BOARD OF INQUIRY ON THE SOCIO-
ECONOMIC ASPECTS OF AN ALASKA HIGHWAY GAS PIPELINE.

BEFORE THE BOARD

| | |
|------------------------|----------|
| K.M. LYSYK, Esq., O.C. | CHAIRMAN |
| WILLARD PHELPS, Esq. | MEMBER |
| MRS. EDITH BOHMER | MEMBER |

P R O C E E D I N G S

VOLUME 11

DESTRUCTION BAY, Y. T.
MAY 31ST, 1977
COMMUNITY HEARING

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Vol. 11

1 Destruction Bay, Yukon Territory

2 May 31st, 1977

3 COMMUNITY HEARINGS

4 PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT

5 MR. CHAIRMAN: Ladies and
6 gentlemen, I would like now to open this hearing. The start
7 of our community hearings on the Alaska Highway Pipeline
8 proposal, the second in the series was yesterday in Beaver
9 Creek, and before that we had one of these informal hearings
10 in Whitehorse, although as you probably know, most of the
11 hearings in Whitehorse have been of the formal kind. These
12 community hearings are not formal at all. The purpose is to
13 obtain views of the people who live in the Yukon concerning
14 the pipeline proposal.

15 Now, as I'm sure you know, the
16 Government of Canada has under consideration, the question of
17 what pipeline route through Canada, if any, it will approve.

18 The proposal is to move gas from
19 the Arctic through Canada to United States. Government of
20 Canada has said that it proposes to make it's decision in
21 principle concerning which route through Canada, if any, will
22 be taken and to make that decision by the first of August.

23 This Inquiry was established to
24 assist the Government of Canada in that decision making
25 process by providing some information and some advice to the
26 Minister of Indian Affairs and Northern Development by the

1 first of August.

2 So the community hearings, as I
3 have said, are to obtain the views of people who live in
4 Yukon, attitudes of Yukoners to the pipeline proposal. We
5 like to keep the hearings as informal as possible. There are
6 one or two things that we do that are similar to the formal
7 hearings.

8 One of those is to keep the
9 complete record of everything that's said, and for that
10 purpose I have to ask you if you wish to ask a question or to
11 make a statement to come, please, to one of the microphones;
12 either the one at the table, or the one in the aisle to make
13 your statement or ask your questions.

14 We also ask that anyone who wishes
15 to make a statement give a sworn statement or affirm the
16 truth of the statement. So, apart from those little bits of
17 formality that's necessary to keep the complete record, we
18 do hope that you will not hesitate to come forward and give
19 your views and not worry about having an elaborate formal
20 type of statement to give. Our purpose is to sit and listen
21 and report what we hear in these community hearings.

22 We're going to be all over the
23 Yukon in the next two and a half weeks; seventeen different
24 communities, to report on what we have learned about the
25 attitude of Yukoners to the proposal.

26 So, at this point, oh, I should

1 mention that with respect to answering questions that you
2 might have, we have representatives here from the pipeline
3 company, Foothills Pipeline Company; Mr. Burrell, Mr. Becker,
4 and Mr. Byers, are all here. So that if you have a question
5 or a point of information that you'd like to raise concerning
6 the pipeline proposal, they are available to respond to your
7 questions.

8 So, if I may now then, I would
9 like to invite anyone who wishes to do so to do either of
10 those things; either ask question, or make their statement.

11 MR. TEMPLE: Mr. Chairman, before
12 we go too much further, my name is Phil Temple, I'm from
13 Burwash.

14 MR. CHAIRMAN: Yes.

15 MR. TEMPLE: How many people from
16 Destruction Bay are here right now that you're asking these
17 questions to?

18 MR. CHAIRMAN: Well, I should
19 have mentioned in these opening remarks, we're going to be
20 back here this evening at 7 o'clock -- 7 or 7:30. 7 o'clock
21 this evening. I wondered as a matter of fact a few minutes
22 ago, whether we ought to proceed with the afternoon hearing,
23 because the numbers are down and there's no difficulty
24 understanding why they are down, because people are working.

25 But we do have at least one
26 person here who wishes to give some testimony and may not be

1 available this evening.

2 And, in fact, perhaps, Mr. Jacquot,
3 I could ask you if you are ready to come forward and give your
4 remarks.

5 Would you like to come up please,
6 to the table?

7 LOUIS JACQUOT: SWORN

8 MR. JACQUOT: I'm Louis Jacquot
9 here, from Burwash Landing. I was born and raised in the
10 Yukon and was a local construction worker.

11 I think that this pipeline is a
12 great thing into the Yukon, provided they will give benefit
13 by it and everything in any way, shape, or form, work and
14 so forth and construction into the camps -- and protection
15 into the camps, which means that I don't see why it should
16 be turned down that this pipeline here, to my classification,
17 is what I would call it, a development in resources have been
18 the economy of the country, and should not -- this land
19 claims here should not be allowed to interfere as where this
20 highway came through in '42. And what happened then if the
21 highway came through then in '42 and the Russians would have
22 came down, we would be speaking Russians.

23 So, I would say that this pipe-
24 line should be all in favour in any way, shape, or form to
25 come down the road here for our people today, and our
26 childrens tomorrow. Yeah, it would be a great thing. I'm all

1 in favour of it, and a lot of people put the words into other
2 people's mouth to say the word, but these people are scared to
3 talk. I'm not scared to talk, heck -- the word's there, put
4 it out.

5 That is all.

6 MR. CHAIRMAN: Thank you very
7 much, Mr. Jacquot.

8 Can I ask if anyone else has an
9 observation to make at this point or question to ask?

10 Let me stress that we would very
11 much like to keep the community hearings informal and on a
12 low key basis. I know sometimes that's a little difficult
13 to remember when you see the microphones and the lights, but as
14 I mentioned, that has to do with the necessity for keeping a
15 record of what is said, but if you can ignore those, we hope
16 that you won't miss an opportunity to come forward and say
17 what you think is good or what you think is not good about
18 the proposal to build a pipeline.

19 Perhaps what I might do, just at
20 this point is to ask Mr. Burrell, from the pipeline company,
21 to give just a few remarks about how the proposed pipeline
22 is seen in respect of this area.

23 MR. BURRELL: First of all, the
24 pipeline proposal that we are putting forward is a pipeline
25 to transport natural gas from Prudhoe Bay to market areas
26 in the lower 48. We are proposing to transport natural gas

1 which is a vapour just like air, which is nothing like
2 gasoline or like oil. They say it's a vapour lighter than
3 air, so if there are any line breaks occur, we don't expect
4 to have any of those, if any at all, but if there is some,
5 it would rise into the atmosphere rather than form on the
6 ground, like gasoline or oil would do. As far as the
7 project itself is concerned, the section in the Yukon is
8 512 miles long, approximately. It will be built in three
9 years, '79, '80, and '81. The pipeline is 48 inches in
10 diameter and it will be buried. The section which
11 Destruction Bay is located will be constructed in the summer
12 of 1979.

13 The construction camp which will
14 be the closest construction camp to Destruction Bay will be
15 about 32 miles towards Beaver Creek, and the other one which
16 is 40 miles from Destruction Bay will be towards Whitehorse.

17 So, as I was saying, the
18 closest camp to Destruction Bay will be about 32 miles. The
19 compressor station will be closer. We are proposing a
20 compressor station just two miles down the road towards
21 Burwash from Destruction Bay. That will be constructed in
22 the year 1980 - 1981 to be in service October 1, 1981.

23 The project is proposed to
24 deliver gas for the first time on October 1, 1981.

25 There will be approximately 750
26 to 800 people located at each of these compressor stations.

1 The section within, Section 4, which is the section which
2 includes the area through Destruction Bay will be constructed
3 over about a five month period. So that even though there
4 will be pipeline construction occurring over a three year
5 period within the Yukon, only the Destruction Bay will only
6 actually see construction all throughout construction in the
7 area for about a five month period and any point around the
8 line construction would be expected in that area for about
9 a week, so at any point you will see construction for about
10 a week, but in the spread that goes through Destruction Bay,
11 we're looking about five or six months.

12 The pipeline is located on the
13 other side of the highway very close, or adjacent to the
14 8 inch Haines right-of-way. 8 inch Haines pipeline -- Haines-
15 Fairbanks pipeline right-of-way. The maintenance bases,
16 there will be five located in Yukon. One at Beaver Creek, one
17 at Haines Junction, one at Teslin, one at Whitehorse, and one
18 at Watson Lake.

19 There will be approximately 190
20 permanent jobs in Yukon, about half of those can be filled
21 by people who have not had previous pipeline experience. Our
22 Company is currently involved with a training program which
23 trains people to take meaningful jobs in the operating phase
24 and the intent the Company would have would be that if we
25 receive the permit that we would expand that program, and we
26 would take people from Yukon down into facilities in Alberta

1 Gas Trunk Line or Westcoast Transmission Company and give
2 them the skill training necessary to then come back and
3 operate the pipeline when it goes into operation.

4 One thing that I forgot to
5 mention is that the Foothills pipeline is a Canadian owned
6 company, and it is sponsored by Westcoast Transmission and
7 by Alberta Gas Trunk Line which are two of the largest
8 transmission companies in Canada.

9 As far as the construction is
10 concerned, the peak labour force would be 2300 people in
11 the summer of 1980. We estimate that about 60 per cent of
12 those jobs could be filled by Yukon people if they decided
13 to take up such employment. The balance would be filled
14 by people who have had previous pipeline construction
15 experience, particularly in the areas of side-broom operators
16 and welders.

17 As far as natural gas supply is
18 concerned, we have made a study of making natural gas available
19 to the Yukon communities, and our preliminary study indicates
20 that gas can be supplied at Destruction Bay at a price which
21 will be considerably cheaper than that of oil. Our
22 preliminary estimate shows that in about five years after the
23 pipeline gets operational, that this gas would be approximately
24 \$750.00 a year cheaper than what it would be if the consumer
25 were to use oil.

26 As far as business opportunities,

1 the position of the Company is that they will use to the
2 greatest extent possible, the services and goods which are
3 supplied by local businesses, local contractors and businesses.

4 I don't believe that there is
5 anything else that I would like to say at this time.

6 MR. CHAIRMAN: Okay. Thank you
7 Mr. Burrell.

8 MR. MOGENSEN: When you say
9 \$750.00 cheaper than oil in five years, what do you mean? A
10 residence would be \$750.00 cheaper?

11 MR. BURRELL: What we have done is
12 that we have made an estimate of the costs of providing gas
13 to the residents in Destruction Bay, compared by an estimate
14 of the cost of using fuel oil, and our estimates show, even
15 though they are preliminary, they show that there is a
16 savings to be realized by a resident of Destruction Bay of
17 approximately \$750.00 a year.

18 MR. MOGENSEN: What would the
19 installation of the change over -- like most of the people in
20 Destruction Bay today are heated with oil. What would the
21 change over involve?

22 MR. BURRELL: The costs, the
23 estimate we have had on converting oil furnace to a gas
24 furnace is about five or six hundred dollars. That includes
25 the need to run piping from the meter -- the gas meter, to
26 the furnace. Also, it doesn't include any rebates you might

1 get on oil tanks and so on. But roughly five hundred
2 or six hundred dollars, that would be fair.

3 MR. MOGENSEN: Would Foothills
4 be the distributor of this gas in Destruction Bay?

5 MR. BURRELL: Not necessarily.
6 What our proposal is, is that we believe that the
7 distribution of the gas within the community should be done
8 by a municipality or one of the local -- a local company.
9 We think that's the best way to go, because it does provide
10 a local business opportunity.

11 But we have said that in a
12 community where the people would like to have gas and there
13 are no companies that are prepared to put the gas in, then
14 Foothills would become the distribution company. But we
15 would prefer to do that as a last resort, really. But we
16 would do it if it was necessary.

17 MR. MOGENSEN: How small would
18 a community have to be -- like I live up the highway here
19 several miles, and I have a highway lodge --

20 MR. BURRELL: Yes.

21 MR. MOGENSEN: -- and would
22 there be any possibility of me getting gas?

23 MR. BURRELL: Yes, there would.
24 Well, it's hard to say. There's many single farms or
25 lodges in Alberta that do receive gas, and really what you
26 have to do is you would have to look at the location of your

1 lodge, relative to the pipeline, and how much gas you would
2 utilize. And then you could determine then whether it was
3 more economical to stay on oil, or to go to gas. But if
4 you are relatively close to the pipeline, there's a good
5 possibility that gas would be more economical for you.

6 Because it has appeared in
7 Alberta.

8 MR. MOGENSEN: You wouldn't know
9 the approximate cost -- say you were half a mile from the
10 pipeline to bring this gas into your lodge or home?

11 MR. BURRELL: I don't right now,
12 but we could calculate it. What we did in our work, we
13 looked at the major communities along the highway and did
14 a cost estimate on supplying natural gas to these communities.

15 We said that there are a number
16 of lodges along the highway that could receive gas, but they
17 would be better to look at the cost of running gas to those
18 lodges at the time when the pipeline was going through, so
19 then you know for sure where the pipeline is, you know what
20 the cost of gas is going to be and then you can look at it
21 on that basis, but it would certainly be the intent to look
22 at each of the potential users of gas along the routing, and
23 if they wanted gas to then look at it and then determine
24 what the costs would be.

25 But I think it would be better
26 to do it at that time, because the information would be a

J. Burrell
P. Vanderveen

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1 little better. It would be much better than it is now.

2 MR. MOGENSEN: Yeah, I understand
3 there has to be a reducer valve put in this line and --

4 MR. BURRELL: Yes, that's right.

5 MR. MOGENSEN: -- and somebody
6 has told me this costs \$22,000.00.

7 MR. BURRELL: That's not right,
8 because there are many, many farm taps put into -- they're
9 called farm taps, that are put in to supply single family
10 dwellings or farm complexes in Alberta, and they're very
11 small regulators. It's been a while since I worked on them,
12 but they cost less than a hundred dollars when I was doing
13 that. That is for the regulators, I think for the whole package
14 probably costs something like, I'm only guessing, five
15 hundred dollars, but I don't know for sure. But it would be
16 of that order.

17 MR. MOGENSEN: Thank you.

18 MR. BURRELL: Okay.

19 MR. CHAIRMAN: Just for the
20 record, sir, could I ask you to give your name please?

21 MR. MOGENSEN: Jerry Mogenson.

22 MR. CHAIRMAN: Thank you.

23 Does anyone else have a question
24 for Mr. Burrell, arising out of what he said, or an
25 observation that they wish to make, or a statement to give.

26 MR. VANDERVEEN: Are you having

W. Phelps

'1760

1 another presentation this evening?

2 MR. CHAIRMAN: Yes, we are.

3 Starting at 7 o'clock. Yeah.

4 MR. VANDERVEEN: And we have the
5 pipeline built by then?

6 MR. PHELPS: I would indicate
7 that we are really looking for the people's opinion in each
8 community about the pipeline, whether they are for it, or
9 against it. And it's very important, whether it be tonight
10 or this afternoon, that people step forward and speak into
11 the microphone just saying whether or not they are for or
12 against, or whatever they have to say, because then what you
13 have to say does form part of the evidence before us, and
14 that's really what we have to base our report on. So it's
15 really important that if you have any views, for or against
16 it, that you do step forward and say something tonight or
17 this afternoon, because these are the opinions that we'll
18 be weighing and the report will be going into Ottawa on
19 August 1st, and they will be making up their minds by September 1st,
20 so this will be your only chance to be heard.

21 So I stress the importance of
22 going on the record.

23 MR. VANDERVEEN: Your name
24 is Mr. Phelps, is it not?

25 MR. PHELPS: That's right.

26 MR. VANDERVEEN: I can't

1 understand anyone not being for it.

2 MR. PHELPS: The thing is -- just
3 can you speak into the microphone. The reason for that is
4 that everything is being taken down and there will be
5 booklets made up of the evidence.

6 MR. VANDERVEEN: You mean you
7 want me to hold on to it.

8 MR. PHELPS: Well, just sit down
9 with it, and if you've got a statement to make, give your
10 name and tell us what you think.

11 MR. VANDERVEEN: My name is
12 Vanderveen, and I own Tolbot Arms Motel here in Destruction
13 Bay.

14 PIETER VANDERVEEN: SWORN

15 MR. VANDERVEEN: I think that
16 the pipeline going through this Territory is a very small
17 segment of the overall picture of the pipeline situation.

18 I think that people of the Yukon Territory by and large,
19 that are against the pipeline haven't -- don't have a clue
20 what they are talking about.

21 We need a little bit of progress
22 in this Territory, and I'm sure that all the scary pictures
23 that are painted about the pipeline, the vast numbers of
24 people that are going to be involved in the building of it
25 and everything else is not a thing to worry about whatsoever.
26 We have vast groups of people going through here every

1 summer, and I'm sure there isn't a businessman in this
2 Territory that's terrified of them. He loves them, or he
3 should. And I'd like to see this pipeline started right now.

4 There's a lot of wasted time I
5 think in a lot of this stuff. There may have to be hearings,
6 there may have to be discussions whether the pipeline is
7 most feasible to run, but I think the problem of running the
8 pipeline is cut and dried. It has to be run. We are
9 fighting throughout the North American Continent about fuel
10 shortages, energy shortages, whatever shortages, and if this
11 pipeline is not run, I understand that the excess gases have
12 to be burned off. That's a waste, is it not?

13 As far as I can see, we're
14 wasting a lot of taxpayers dollars in fighting against such
15 a progress when the very people that fight against it demand
16 the services that it will avail them of. They want heat for
17 their houses, they want electricity, they want whatever
18 happens and to deny a pipeline is the same as slamming the
19 door and saying they don't need any more heat. I'm all
20 for the pipeline.

21 I think anyone along this highway
22 basically, is for this pipeline. A lot of people will not
23 come forward, they have been brain-washed through the years,
24 they have worked for organizations in this country that have
25 told them from time to time that you mind your own business,
26 as long as you work for us, you'll have nothing to say, we'll

1 keep -- we'll look after you and now to change that picture
2 overnight is a little or lot to ask for.

3 The twenty-five years that I've
4 been in this country and working along this highway and
5 what not, the numbers of times I've been told to keep my
6 nose to the grindstone and keep quite, or I could go down the
7 highway, I'd hate to quote how many times that's been told to
8 me. And through the passage of years, various people will
9 finally reach an apathetic state that no matter what their
10 opinions are, they aren't going to say them.

11 I think basically that they would
12 be for it. I'm sure they are for it, but they're not going
13 to stand up and yell every time a hearing comes through here.

14 MR. CHAIRMAN: I'd like to
15 thank you very much for your statement Mr. Vanderveen. That
16 precisely, of course, is what our job is, is to find out as
17 best we can what the views are of the people here. And as I
18 say, sometimes it's a daunting prospect to come forward
19 before the lights and the microphones and state your view,
20 but it's very important that it be done. So we are
21 grateful for your statement and for anyone else's statement.

22 Your question prior to the
23 statement reminds me, that I neglected in my very brief
24 opening remarks to introduce ourselves and to introduce the
25 board.

26 My name is Ken Lysyk, and my

1 colleagues on the Board are Edith Bohmer and Willard Phelps,
2 both of whom are Yukoners, so -- I'm the only outsider on
3 this Board of Inquiry.

4 I think you raised a question
5 also about whether, if the gas was moved by pipeline it might
6 have to be burned off, and Mr. Burrell might want to respond
7 to that question in terms of what the possibilities are for
8 storing gas, and in fact what's happening now.

9 MR. BURRELL: The bulk of the
10 gas supplied through Prudhoe Bay is what they call
11 solution gas, which is gas that's in solution with the oil
12 So that as they do produce the oil, there will be a gas
13 supply available. As I understand what the plan is, it is
14 that they have planned to re-inject the gas into the
15 formation, the oil reservoir, the oil and gas reservoir, for
16 I've forgotten the length of time, but they are going to
17 re-inject to determine the reservoir characteristics of the
18 field, and then following that, they would then begin to
19 produce the gas. As I understand after a couple of years
20 it becomes extremely expensive to re-inject the gas, so they
21 are going to have to find some place to put. They are going
22 to have to move it to market, as I understand, in the next
23 couple of years just because of the nature of the gas field
24 itself.

25 MS. TEMPLE: Isn't it a fact
26 that they have in the past and are now doing so a bit at the

1 present, burning off this gas?

2 MR. BURRELL: Here again, it's
3 my understanding that -- well, first of all, they do have
4 a small refinery, they call a topping plant, at Prudhoe Bay
5 and it does produce some gas, but very little. But I'm
6 talking basically about the major production field -- from
7 the field when the oil pipeline comes into operation.

8 Mr. Byers says that he understands
9 the State of Alaska prevented -- has passed a bill which
10 prevents the flaring of gas. I know in Alberta that
11 flaring of gas is prohibited by law, except under very
12 extreme circumstances, so I would expect the same would
13 apply in Alaska.

14 I wonder if I could make one
15 more statement. When I was speaking to the gentleman about
16 the supply of gas, I mentioned a number of seven hundred
17 fifty dollars a year saving, and I did say that it was a
18 preliminary -- as a result of a preliminary study. And I
19 just want to emphasize again that the actual cost of gas,
20 of course, will be determined when more detailed studies are
21 available and are done when the pipeline goes through and
22 the cost of gas to the consumers, of course, will depend to
23 a great degree on the number of customers that take gas.

24 But certainly our preliminary
25 studies, which we have done, and we feel are very good studies
26 do indicate that five years after the pipeline does get into

1 operation, that a saving in Destruction Bay of approximately
2 seven hundred and fifty dollars a year over oil is a fair
3 estimate at this time.

4 A VOICE: You --

5 MR. CHAIRMAN: Do you mind just
6 pushing the microphone a little closer to the edge of the
7 table there, moving in a bit. You don't mind, just so we
8 can keep our record complete.

9 MR. HALLMAN: But the statement that
10 you made to start with there whereby you said that the
11 pipeline was to supply fuel to the lower forty-eight, and yet
12 here we're talking about bringing the fuel off the line
13 here which would help the community here. So actually, it's
14 not just the benefit of the lower forty-eight, it's a benefit
15 for up here also?

16 MR. BURRELL: That's correct.
17 I didn't get into the details of how gas would be made
18 available to the Yukon communities, but as I said earlier,
19 it is the taking of Alaskan gas to market areas in the lower
20 forty-eight, and in our applications to the Federal Power
21 Commission in Washington and to the National Energy Board,
22 we have included, as part of our proposal, the supply of
23 natural gas to the Yukon communities.

24 Now, in order to do that, there
25 is an arrangement has been made with Pan Alberta Gas whereby
26 Alaskan gas will be delivered to the Yukon communities, in

1 exchange for Alberta gas, which will be put into the pipeline
2 in Alberta, so that the amount of gas which goes into the
3 U.S. will not change. It will be the amount that they put
4 in at Prudhoe Bay, less the fuel that they use in the
5 compressor stations.

6 And it really amounts to an
7 exchange arrangement where, it really in part, means that
8 Alberta gas is deemed to be consumed in the Yukon and
9 Pan Alberta Gas Company, which is a company in Calgary, is
10 agreeable to supplying this gas and are making an application
11 to the Energy Resources Conservation Board in Alberta for --
12 to obtain a long term supply of natural gas for the Yukon,
13 and we don't anticipate any problems with the surplus gas
14 in Alberta now, and it's the same procedure that Trans Canada
15 goes through for supplying gas to Saskatchewan, Manitoba,
16 Ontario and Quebec. So it's not an unusual arrangement.
17 It's just that these procedures have to be gone through and
18 we're in the process of going through them.

19 MR. HALLMAN: Will the U.S. pay
20 a royalty or a tax on this pipeline going through here. Will
21 they continue to pay for this pipeline right along. In other
22 words, they're going to pay transportation costs in other
23 words. Will this be carried on through the years?

24 MR. BURRELL: Yes. What happens
25 on any facility as this is, is that the cost of owning and
26 operating the pipeline is taken into consideration and that

1 determines the transportation charge for moving the gas, so
2 that the end user, those in the lower forty-eight,
3 predominantly, will be paying for the cost of installing,
4 operating this pipeline.

5 MR. HALLMAN: Okay. One more question
6 now. Will the Yukon derive an income from this royalty or
7 tax?

8 MR. BURRELL: Yes, it's -- we'll
9 receive payment for -- or the municipal taxes, the municipal
10 taxes will be paid to Yukon for the use of the land to put
11 the pipeline across the Yukon and we've calculated that
12 based upon the present Ordinances at approximately five
13 million dollars a year.

14 MR. HALLMAN: Okay. Now, I believe
15 in Alberta that some of the people there do get a -- what
16 is it -- a fifteen dollar a year rebate or something like
17 this on a pipeline going through their area. Will that same
18 apply here in the Yukon?

19 MR. BURRELL: I'm not familiar
20 with a fifteen dollar a year rate rebate, I do know that when
21 in private lands and certain government lands too that there
22 are easements paid for the right to cross your -- to have
23 the pipeline cross your property, and that would be no
24 different here where you would -- if a land owner -- if
25 our pipeline was to cross a certain landholders property,
26 then we would pay him an amount for the right to cross his

1 property. But in addition to that, on an annual basis, we
2 would be paying, as I said about five million dollars a year
3 in municipal taxes.

4 I'm not familiar with the fifteen
5 dollars. I know there was some rebates given in Alberta
6 a few years ago, but that was to everybody in the Province.

7 MR. HALLMAN: Thank you.

8 MR. MOGENSEN Yukon, then they
9 put the gas into the Yukon, will the rate come from Alberta
10 or will the rate come from Prudhoe Bay?

11 MR. BURRELL: The arrangement that
12 we are proposing is that the cost of gas at the main line
13 connection, that's where the gas is taken off from the main
14 line, that will be equivalent to what is referred to as the
15 'Alberta border price', and that is the price which applies
16 to the sale of natural gas in all provinces, except Alberta,
17 so that the price at the main line will be the same price
18 that people in Toronto would have to pay, but you'd have to
19 add to that, transportation costs. So, for instance, the
20 price at the Alberta border -- let's use an example, let's
21 say it's two dollars. Well that's the price that would
22 apply at the main line connection in the Yukon. It would
23 also be the price that people in Toronto would pay, plus
24 the transportation. So they -- you have to pay for the
25 transporation from the Alberta border to Toronto. In the
26 case of Yukon, it would be the price at the main line, which

1 would be the Alberta border price, plus the costs of bringing
2 it from the main line to the lateral and into the
3 distribution systems into the house.

4 MR. CHAIRMAN: Thank you, Mr.
5 Mogenson. Again for the record, I'm sorry to trouble you
6 with these details, but I wonder if the previous speaker
7 could just let us have his name for the record.

8 MR. HALLMAN: My name is
9 Nolan Hallman.

10 MR. MOGENSEN: My name is Jerry
11 Mogenson, I have a lodge up the Alaska Highway and I also
12 am a trapper. I've lived in Yukon the last twenty years and
13 in Canada's North since 1949. I own and operate a lodge
14 at mile 1147 for the last eleven years. I've seen the
15 effects of the army pipeline in operation, which has done
16 nothing but good, socially and economically for the
17 communities of Beaver Creek and Destruction Bay.

18 I also have seen the closing of
19 these pipelines in these two communities and with it, a
20 great social and economical loss which was felt by many
21 people. So I can see that the pipeline will do a lot of
22 good for these communities. With more children in the local
23 areas, there is a possibility of higher grades in our local
24 schools, which is now only to go to grade eight. At the
25 present the children, white and Indian, have to go to
26 Whitehorse, to further their education, which in the past,

1 has proved not to be the best in my respects, in the children's
2 respects -- respects of the children. I'll get it straight
3 here yet.

4 With more families in the
5 communities, it will help support recreation and community
6 centres, financially and socially.

7 I have also, for the last few
8 years, dealt with the people on the Alaska Pipeline, workers
9 coming and going, trucks hauling North, I have not felt they
10 have caused me any big problems, and the extra income has
11 been welcome.

12 I trap in the winter months to
13 supplement my income, as the Alaska Highway in the tourist
14 off-season is very quite. My trapline runs along the
15 Alaska Highway for twenty-three miles and is about ten miles
16 wide. The best trapping I have along this Alaska Highway
17 is the army pipeline and the Alaska Highway. And for this
18 reason I figure if the rabbit population that have brought
19 this to bear, as the younger trees and shrubs is what they
20 eat, and when there's rabbits, there's fur.

21 Another reason for the fur
22 bearing animals being on the pipeline is the tall native
23 grass where the mice and other rodents live, which brings
24 the foxes and the coyotes to these areas in the winter
25 months. I can't see any reason why the pipeline will do
26 nothing but good in the effectiveness of the trapline.

1 Also if a person wants to see a
2 moose or a bear, the best place to look for them is on the
3 pipeline. And you'll often see the moose feeding on the
4 young brows of the new trees and that in the spring of the
5 year. And the bears they'll dig up the mice and the rodents.

6 And if you want to prove this
7 fact, all you have to do is walk along the pipeline, and you
8 see all kinds of game trails and on and off the pipeline.

9 And with the Indian Land Claims
10 issue being brought into this Inquiry, I, as a taxpayer who
11 is helping to support some of these people, feel that it is
12 not right for them to bring this issue before this Inquiry,
13 and I'm getting tired of listening to their crying and
14 complaining about land claims, which I feel they do not have
15 any more rights to than I do, as I am a Canadian too.

16 So, let's get on with this
17 pipeline and the sooner, the better for all.

18 Thank you.

19 MR. CHAIRMAN: Thank you, Mr.
20 Mogenson, for your statement.

21 If anyone else has a question
22 to ask, or an observation to make at this point.

23 MS. FLUMERFELT: My name is
24 Marsha Flumerfelt, and I've spent twenty odd years in the
25 North. All of it, my husband and my father working for the
26 Government.

1 Now, I'd like to know what this
2 pipeline is going to do to our cost of living. You know --
3 it's -- we're -- we don't make as much money as even the
4 people in the mines, grant you, we don't go on strike as
5 often as the people in the mines either. But I'm just
6 wondering what that's going to do for our cost of living,
7 because I just know, deep down, that the Government isn't
8 going to pay the wages that everyone else is going to pay.
9 And I don't see why. I think we should have some
10 protection, because I don't see why we should either give up our job
11 and look for another one because we can't make ends meet.

12 And I'm just wondering if
13 there is going to be some kind of protection on the cost of
14 living?

15 MR. CHAIRMAN: All right. Thank
16 you Mrs. Flumerfelt. We have at several points in the
17 Inquiry question raised about the inflationary effects of --
18 particularly during the construction period, and the impact
19 particularly of people on fixed incomes, and I wonder if
20 Mr. Burrell would like to try and respond to your question.

21 MR. BURRELL: We have to admit
22 honestly, that there are going to be impacts that are perhaps
23 detrimental to some degree. One of the things that we have
24 been saying though, is that Alyeska has experienced -- or
25 Alaska has experienced problems with respect to the
26 construction of the Alyeska proposal and we have looked at

1 what has happened there, and I believe we have learned from
2 the situation which has occurred there, and we are putting
3 forward policy positions which we believe will work toward
4 minimizing the problems which were experienced in Alaska.

5 There are other things that we
6 have looked at too, and this is -- and will be looking at,
7 are the situations which have occurred in other parts of
8 Canada. There has been a considerable amount of construction
9 take place in southern Canada that has not had anywhere
10 near the effects of the Alyeska pipeline has had. I think
11 that we have to look at, not only the Alyeska, but also the
12 other situations to see what have been the problems, and
13 what can be done to overcome them. Now as far as cost of
14 living is concerned, the construction phase, I think, will
15 be the period in which there will be the greatest potential
16 for such inflationary trends to occur. The construction
17 phase is going to last about three years. Of course, as I
18 said earlier, in any one given area, it would be between
19 three and six months. So that, as we said before, even
20 though it is over three years, the impact -- the direct
21 impact on that one particular area would be probably three
22 to six months. But as far as what causes inflation
23 really a shortage of goods and a demand for goods, which are
24 all pretty well tied together.

25 The businessmen certainly in the
26 Yukon are anxious to get involved with the providing of goods

1 and services, so we would have to -- we're working on
2 policies which would maximize their input too, but we see
3 that if we can structure our project in such a manner that
4 it will not have a demand on the goods that are -- and
5 services that are being utilized by the local people then
6 the inflationary trends will be minimized.

7 You have to appreciate that our
8 project uses large quantities of material and rather than
9 going into a local store and buying things off the shelf,
10 we would tend to buy in truckload quantities. So one of the
11 things that we are proposing is that we would be buying
12 items from local suppliers, but probably on close to a
13 truck load bases so that in essence what happens is that you
14 buy the goods from the local supplier, he puts in his order
15 in southern Canada, and it's brought up by truck to the
16 camp, so that even though he does have the business, it
17 really doesn't flow through his store as such, and he does
18 get the credit for the sales. Now, that's not to say that
19 there won't be an increased demand on some of the goods and
20 services, but certainly the other thing that we are doing
21 is having isolated camps. The camps will be self-contained
22 there won't be as much demand put on the local economy as
23 say Alyeska, because in the Fairbanks situation, for instance,
24 the -- one of the camps was located right in town and they
25 encouraged the Alyeska construction people to move into
26 Fairbanks, which put a demand on Fairbanks. So, we believe

1 that the policies that we are putting forward will tend toward
2 minimizing the demands on local goods and services beyond
3 what they are able to supply -- let me rephrase that --
4 that we will be using goods and services, the service,
5 capacity of the local businessman and we would expect
6 the local businessman to continue to service his bread and
7 butter customers, because the pipeline construction is going
8 to really be quite a short span over the overall and a
9 businessman would, I think, tend to support his bread and
10 butter business.

11 The other thing too, that could
12 tend to cause prices to go down is the fact that with more
13 goods and services coming into the Yukon, it may very well
14 result in lower transportation costs. It may mean that
15 excess capacities within the Yukon are put to more use and
16 consequently the cost of this excess capacity isn't borne
17 by the present people.

18 Now, I can't say that there isn't
19 going to be any inflationary trends. There may very well
20 be, but what I am saying is that we are working towards
21 minimizing those through our policy positions.

22 I hope I've answer the question
23 properly for you.

24 MR. CHAIRMAN: Can I ask anyone
25 who may have a remark or two to make to please come
26 forward?

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1 MR. MOGENSEN: I have a
2 question for Foothills. I imagine they'll contract the
3 pipeline out to other firms. Is that correct?

4 Or is Foothills doing all the
5 work on that?

6 MR. BURRELL: No, the intent is
7 that the management of the project would be by Foothills
8 personnel. But the actual construction of the pipeline
9 itself and the compressor stations will be done by
10 contractors who are in that line of work.

11 Now, they would provide the
12 construction crews and they will be hired in the normal
13 manner, and Yukoners would have preferential hiring on the
14 construction phase of the pipeline and on the operating and
15 maintenance phase. But there are a number of activities that
16 Yukon contractors could provide services. The construction
17 of roads, the providing of gravel haul, erecting buildings,
18 just whatever services that are available by the contractor
19 I'm sure could be utilized to some degree on the pipeline.

20 One of the things that we are
21 doing is -- or planning to do very shortly, is to put
22 together a bidder's list of Yukon businesses and contractors
23 and that will provide to us a listing of the capabilities
24 of business within the Yukon so that we can be assured, as
25 much as possible, that Yukoners are in a position to get the
26 contracts that are available in the construction phase and

1 on the operating and maintenance phase.

2 MR. MOGENSEN: You would still
3 control your contractors like you let the contract out? You
4 will still put these conditions to the contractor that these
5 things will have to be done that way?

6 MR. BURRELL: That will be part
7 of the contract with the contractors. As I said before, in
8 our overall position with respect to businesses that to the
9 extent as it is practical to do so, we will use Yukon
10 businesses and the contractors. And that will be put right
11 into our contract.

12 MR. MOGENSEN: Well, I am
13 referring to this right now. We have -- local government
14 has contracts to somebody for crushing gravel, resurfacing
15 roads and what not, and the only benefit the highway lodges
16 have been getting on them is free air and restrooms.
17 Because they supply all their own facilities and everything
18 and very little has rubbed off on the highway lodges.

19 MR. BURRELL: No, we intend to
20 utilize Yukon businesses to the greatest extent possible,
21 but bearing in mind the question that was raised earlier,
22 the effects of inflationary trends. I think we have to have
23 a proper balance and I think the people in Yukon would want
24 a proper balance too. We want to use the businesses to
25 the greatest extent possible, but as I say, bearing in mind
26 that we certainly don't want to create any undue inflationary

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1 trends.

2 MR. MOGENSEN: Thank you.

3 MR. CHAIRMAN: I will be
4 suggesting in a moment that we take a short coffee break. I
5 hope we have some coffee somewhere, but before doing that,
6 can I ask whether anyone has a --

7 Mr. Vanderveen?

8 MR. VANDERVEEN: I'd like to
9 say a word again.

10 I think that a great many people
11 living in this Territory, particularly living along the
12 highway, I've heard it mentioned several times in our own locale
13 here, that they are afraid of local businesses raising
14 prices for all they are worth to bleed the pipeline
15 construction workers whatever they can get out of them.

16 Speaking for myself; no way. I
17 don't intend raising -- increasing prices simply because
18 there's a demand for my services whatsoever. I am expanding
19 my facilities more for tourism than anything else. Tourism
20 is a renewable resource, it goes on for year, after year, after
21 year. The pipeline will not. The pipeline will be built in
22 a couple of years and it's buried and it's gone. And outside
23 of the burning of the gas, it will be virtually forgotten.

24 I would like to impress upon the
25 people of the local area here, that as far as our own firm
26 is concerned; no, we have no intention of increasing prices

1 whatsoever, except what is forced upon us by our own
2 environment here in the Yukon Territory, by our own
3 government, by our own freighters, by our own wholesalers,
4 or whatnot. That's the only increase that we will be forced
5 to face.

6 I think basically, most of the
7 people along this highway would have a tendency to treat
8 this situation that way.

9 MR. CHAIRMAN: Thank you, Mr.
10 Vanderveen. Anyone wish to add anything before we take our
11 break?

12 If not, then I'm going to suggest
13 that we take a break of about fifteen minutes and reconvene.

14 (PROCEEDINGS ADJOURNED)

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1 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

2 MR. CHAIRMAN: Ladies and
3 gentlemen, I wonder if we might recommence at this point.

4 Once again, I would like to
5 remind you that it's a very informal kind of meeting, please
6 don't hesitate to say your bit, however brief or however
7 spontaneous it might be. Can I ask if anyone has a
8 question or they would like to ask or an observation to make?
9 A statement of any kind.

10 We've already spoken about the
11 great importance that this Inquiry places on getting the
12 views of people in Yukon concerning this proposal. And
13 while in some respects, this is a preliminary Inquiry, in
14 other respects it isn't. There's no assurance at all that
15 there will be a further opportunity to say what you think
16 about a pipeline after approval in principle to one or
17 other of the routes is given or withheld by the Government
18 of Canada.

19 MR. TEMPLE: Mr. Chairman, my
20 name is Phil Temple, I'm from Burwash Landing, and there's
21 a couple of things I would like to know about, oh, towards
22 people that live in this area or along the highway, anybody
23 that aren't qualified cat operators or something like this.
24 Would there be a schooling in Whitehorse to train boom
25 operators and rapper operators and such as that. Do you
26 think there will be any Vocational School stuff down there

1 like that?

2 MR. CHAIRMAN: Mr. Temple, I'll
3 ask Mr. Burrell to speak to training programs and things of
4 that nature that the Company has in mind.

5 MR. BURRELL: There is actually
6 training proposed for the construction phase and for the
7 operating phase of the pipeline. The operating phase is,
8 of course, the permanent jobs, which are available on the
9 pipeline, and that's through this Nortran Program, which I
10 was describing earlier, which is underway and would train
11 people to, in the skills necessary, to operate the pipeline.

12 As far as the construction is
13 concerned. Normally the contractor and the unions have set
14 up training programs, and do in fact have continuing
15 training programs, to enable people to learn the skills nece-
16 ssary to undertake pipeline construction opportunities.

17 We've had discussions with the
18 unions and with the contractors and they fully intend to
19 continue with training of people to take the construction
20 opportunities that are available on the pipeline. Now as
21 far as whether that would be done in Whitehorse or not, I
22 really can't say. I don't know at this time.

23 But I do know that the Vocational
24 School, which is located in Yukon -- or Whitehorse, does
25 provide heavy equipment training, so I'm sure that as the
26 project moves forward and the unions and the contracting

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1 people put their training programs together, that they
2 would be in touch with the Vocational School. But what
3 arrangement they would make them, I don't really know.

4 As far as training of boom
5 operators, we have taken the position pretty well and that
6 after having discussions with a number of people, that
7 really the training that should be provided to Yukoners is
8 the training that they can use on a continuing basis in the
9 North, such as operating of graders and cats, and so on.
10 And that really operating of side-boom which is a very
11 specialized type of occupation, used only in the pipeline
12 trade, perhaps people shouldn't pursue that line of activity
13 unless they are prepared to travel with the construction
14 crews as they move from area to area, whether it be here or
15 down South.

16 So, we say that certainly the
17 contractors and unions make this training available for
18 side-boom operators, but really the people in Yukon perhaps
19 should be looking at those occupations which offer the
20 long term opportunities that could exist in the North.

21 MR. TEMPLE: Thank you, Mr.
22 Burrell. I understand that quite clearly now. I've been here
23 in the Yukon -- well quite a long time, Christ was
24 wearing mocassins when I first came up. I'm fully in favour
25 of seeing the pipeline go through here, because you take
26 most of the people, unless they've got a big bank account,

1 or can borrow a lot of money from the bank, most of them
2 couldn't buy a feed of oats for a nightmare. I'm fully in
3 favour of having the pipeline go through. I think it's got
4 nothing to do but help, and as for the environmental part,
5 there was a speaker out here a little while ago from 1147, and
6 he's quite right about the fur and the moose and animals
7 being along the pipeline.

8 I know if you go look for any
9 horses in this country, the first place you go to look for
10 them is along the pipeline, because that's the only place
11 there's any grass. The rest of it is either heather
12 imported from Scotland or something else, I don't know.

13 Anyway, I'm quite in favour of
14 it. Thank you very much.

15 MR. CHAIRMAN: Thank you, Mr.
16 Temple.

17 Anyone else with a question, a
18 point of information, an opinion to express?

19 If there is nothing further at
20 this stage, I propose that we adjourn until 7 o'clock this
21 evening, and needless to say that any of you who would like
22 to come out again tonight, we would be very pleased to see
23 you.

24 Thank you very much for coming
25 out and letting us have your views.

26 (PROCEEDINGS ADJOURNED)

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EVENING SESSION

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

MR. CHAIRMAN: Ladies and gentlemen, I'd like now to recommence the proceedings. Welcome back, those who were able to be with us this afternoon. I hope they'll bear with me while I take a moment or two for the benefit of those who weren't here this afternoon and retrace a little bit of ground, just long enough to say something about who we are and what our job is and how we're going about doing it.

On the first as to who we are; my name is Ken Lysyk. My colleagues on the Board are Edith Bohmer and Willard Phelps, both of whom are from the Yukon.

As to what our job is, as you'll be very much aware by now; the Federal Government is giving consideration to the question of whether it ought to give approval to a pipeline to move gas from the Arctic to the lower States, the lower forty-eight states of the United States, and whether we should give approval to such a route through Canada. And the Government has said that it's going to make it's decision in principle whether or not to approve such a route, and if so, which one, by this August.

So the function of this Inquiry is to provide some information and some advice to the Federal Government which we hope might be helpful to us in

1 considering, this August, what it's choice is going to be as
2 to whether or not there will be approval given to a Canadian
3 route, and if so, which Canadian route.

4 Now with respect to the kind of
5 information that we are to provide, I should say that we are
6 asked to prepare a preliminary report on the social and
7 economic consequences, or results, of constructing a pipe-
8 line along this route, along the Alaska Highway. It's a
9 preliminary report in the sense that the Minister has said,
10 speaking for the Government, that if approval is given to the
11 Alaska Highway route, then, in due course, a further Inquiry
12 will be established which will develop the detailed terms and
13 conditions and also submit a final report on the social and
14 economic consequences.

15 So in that sense, there will be
16 a second stage. With respect to the first stage, what we're
17 involved in, I should say this, however, that one of the
18 important things, perhaps the most important thing that
19 we're asked to do, is to report to the Federal Government on
20 attitudes of people who live in the Yukon to this pipeline
21 proposal. In that sense it should not be regarded as
22 a preliminary exercise. What we learn in the course of this
23 series of community hearings will be reported to the
24 Federal Government, but it's not at all clear that there
25 will be any further opportunity for the public to state
26 it's views in the second stage of the process. That

1 presumably would be one that would involve more expert
2 evidence in terms of devising terms and conditions for the
3 pipeline and so on. So this is a very important part of our
4 responsibility.

5 As to how we are going about it,
6 you'll know that we've been involved in formal hearings in
7 Whitehorse. Those commenced on May 11th, ran for the
8 rest of that week and through the following week. That's a
9 relatively formal procedure with lawyers present and cross-
10 examination of witnesses and so on. We'll recommence those
11 hearings in Whitehorse in the last week of June.

12 In the meantime we are proceeding
13 with these community hearings. We had the first of those
14 in Whitehorse, one evening of the second week of the hearings.
15 We had the second community hearings yesterday in Beaver
16 Creek, and there like here, we had an afternoon hearing,
17 and then an evening hearing, and I may say both in Whitehorse
18 and in Beaver Creek, we had a very good turn out and very
19 gratified at the expressions of opinion that we have been
20 getting.

21 In the informal hearings, there
22 are just a couple of similarities to the more formal hearings.
23 The first is that we are keeping a complete record of every-
24 thing that is said to us, in the community hearings, as well
25 as in the formal hearings, and for that reason in order that
26 what you say, whether it's a statement, or whether it's a

1 question, in order to make sure it goes on the record, I
2 would ask that you come to one of the microphones, either the
3 one at the table or the one in the aisle to make your
4 observations or state your question.

5 If you propose to make a state-
6 ment, it's also part of our routine that we ask you to give
7 your evidence under oath, or to affirm the truth of what
8 you are about to say. Of course that's not necessary if you
9 are simply asking a question. In terms of answering the
10 questions that you may wish to ask we have with us
11 representatives of the pipeline company, Foothills. Mr.
12 Burrell, Mr. Becker, and Mr. Byers are here with us. So
13 I'll be referring questions concerning the construction of
14 the pipeline, what comes after the pipeline and so on, to those
15 gentlemen to respond as best they can to the question that
16 you ask.

17 I think those are the main
18 points that I wanted to mention at the outset. I said
19 something about a couple of similarities to the formal
20 hearings. Let me just say this. The community hearings are
21 intended to be the opposite of formal. I know sometimes it's
22 a little difficult to ignore the microphones and ignore the
23 bright lights, but I invite you to try and do that and speak
24 to us in the same way that you would speak to us if we were
25 in your living room and sharing a cup of coffee with you.

26 The purpose is to get your views,

1 and it doesn't have to be in fancy prepared statements, or
2 in lengthy statements, or anything like that. Our reason for
3 being here is to learn what we can as best we can what you
4 think about the proposal to build a pipeline, what you think
5 is good about it, and what you think may be some of the
6 weaknesses and some of the concerns about the proposal.

7 So, I will, again, if I may, at
8 this point -- perhaps just before I invite submissions and
9 questions, I might ask Mr. Burrell of the Foothills Company
10 just to spend a very few minutes telling you something about
11 the facilities in the neighborhood of Destruction Bay where
12 they would be, help give you perhaps a feel for what might
13 be expected if the pipeline were to go through here. I
14 understand that there have been presentations made here in
15 Destruction Bay here before and some of you may have been
16 able to attend those. If there's interest later in the
17 evening, we could also have some slides that Mr. Burrell and
18 his colleagues have with him.

19 If, however, most of you have had
20 an opportunity to see these, or that you don't think they
21 would add that much, we might just dispense with it. But
22 at this point, anyway, I would ask Mr. Burrell if would just
23 like to make a few brief remarks about what the pipeline
24 company sees in terms of the Destruction Bay area.

25 MR. BURRELL: First the overall
26 purpose of the Alaska Highway Pipeline project, is to move

1 Prudhoe Bay gas to markets in the southern U.S. The pipeline
2 project that we are proposing moves natural gas. It's a
3 vapour, like air, it's not like gasoline or oil. It's lighter
4 than air and any gas that escapes from the pipeline rises,
5 rather than^{as}/gasoline and oil would, would spill on the ground.
6 It rises if there is any escape into the atmosphere.

7 As far as the Yukon portion is
8 concerned, there is 512 miles of pipeline, main line pipeline
9 proposed in the Yukon. It will tie in in the North with a
10 line in Alaska and in the south with a line going through
11 British Columbia.

12 The pipeline is 48 inches in
13 diameter and it will be buried. It's a buried pipeline.
14 The construction is proposed to take place over three years,
15 1979, 1980, and '81. In the Destruction Bay area, this
16 area here (indicating), construction will take place in the
17 summer of 1979. The closest construction camp to Destruction
18 Bay is about 32 miles towards Beaver Creek and the next
19 closest one is 40 miles and that's towards Whitehorse. There
20 will be approximately 750 to 800 men located in these camps
21 and the construction period in the summer of '79 would be
22 about five to six months, May -- September, in that general
23 time zone.

24 The peak manpower requirements
25 for construction are 2300, and that occurs in the summer of
26 1980. We have estimated that about 60 per cent of the jobs

1 on construction would be available to Yukoners. The balance
2 would have to be filled by people who have had previous
3 pipeline experience, such as pipeline welders and side-boom
4 operators which is a very specialized trade and it is really
5 only used in the pipeline industry.

6 In the operating and maintenance
7 phase, where the long term employment opportunities are
8 available from the pipeline company, we are proposing to have
9 five area offices. One would be located in Beaver Creek,
10 one in Haines Junction, one in Teslin, one in Watson Lake
11 and one in Whitehorse. In addition, in Whitehorse, that
12 would be our operating headquarters.

13 There are an estimated 190
14 permanent jobs on the pipeline. We estimate that about
15 50 per cent of those, or close to 95 positions could be filled
16 by people who do not have previous pipeline experience, and
17 what the intent of the Company is, and the policy of the
18 Company would be, is when we receive a permit and if we
19 receive a permit that we would give -- take people from the
20 Yukon down into Westcoast and Alberta Gas Trunk Line
21 facilities and give them on-the-job training so that they
22 would have the skill levels required to then come back and
23 operate the pipeline when it was into operation.

24 We presently have that program
25 on-going now, it's called the Nortran program and there are
26 a number of people that have received training in that, a

1 number of Northern people. It's been going since 1970. In
2 the construction phase there will be training opportunities
3 provided and it will be done in the normal manner that it's
4 done on the pipeline business and that's that the unions and
5 contractors operate training facilities and we've had
6 discussions with them and they intend to continue that
7 practice to provide construction training for those that
8 desire it.

9 Another, I guess opportunity, that
10 our pipeline would offer is the supply of natural gas to
11 Destruction Bay. And we have done some preliminary studies
12 and the preliminary studies that we have performed indicate
13 that natural gas can be made available to Destruction Bay at
14 at price which is less than that of fuel oil. Our
15 preliminary estimates, and I have to emphasize they are
16 preliminary because we do have to do indepth studies later
17 as the pipeline becomes, perhaps if you want to call it, more
18 of a reality and we have a better idea of the routing and
19 the costing and so-on. But certainly our estimates to
20 date which we feel are very good estimates, indicate that
21 the saving of using gas over oil is approximately \$750.00 a
22 year, and that's in the fifth operating year of the pipeline
23 which is 1986, I believe.

24 The first year of gas delivery
25 from the pipeline would be scheduled for October 1, 1981.
26 The closest compressor station to Burwash would be

1 approximately two miles away, and that's scheduled to be
2 constructed in 1980/81 to be on stream October 1, 1981.

3 Oh, the other thing I wanted
4 to mention too, is our position with respect to supply of
5 goods and service by local businessmen. The position the
6 Company has taken is that wherever it's practical, we'll
7 make use of the goods and services that can be provided
8 by local businessmen.

9 I don't know if there's anything
10 else I should add there or not at this time.

11 MR. CHAIRMAN: Okay. Thank you,
12 Mr. Burrell.

13 If I might now, invite anyone
14 who wishes to do so, to please come forward and express an
15 opinion or a view or ask a question? Someone here with some
16 paper. Yes, indeed. If I could just ask you, if I could,
17 sir, as you start off to let us have your name please, for
18 the record?

19 MR. HALLMAN: It's Duane Hallman.
20 All I'm saying is an opinion of mine, and people I've talked
21 to, so it can only be taken as my own opinion.

22 DUANE HALLMAN: SWORN

23 MR. HALLMAN: I'm in favour of
24 the pipeline. I want it, I think it would be good for the
25 Yukon, good for the highway people, and good for the economy
26 in general. There will be problems, obviously. I mean, with

1 a project this big, you're going to have problems and some
2 destruction, but with good management and a little care, I
3 think these can be minimized.

4 We have the Indian Brotherhood
5 say they want ten years for a moratorium, or delay, or
6 something, or settle their differences, or get their
7 culture shock over. Well, this highway has been here for
8 over thirty years, and if they haven't got over their culture
9 shock and learned to grow up yet, then ten years isn't going
10 to help them a bit.

11 We've been -- certain parties
12 over the CBC have threatened violence to us, if this
13 pipeline is built. I can't say because I wasn't there.
14 Apparently it was done in U.S. Congress, they threatened to
15 blow up the pipeline or whatever the heck they were doing.

16 Well, that reminds me a lot of
17 a little kid, you know, that says if you're not going to
18 play my way, then I'm just going to punch you in the nose,
19 take and marbles, and I'm going to go home.

20 Well, whoever was doing the
21 negotiating, the Indian Brotherhood I think was the
22 negotiators, they picked up their marbles yesterday, and
23 they went home.

24 So, I don't know what their
25 thinking is. I don't know -- they were being a little
26 childish to me. I don't like to be threatened, pushed

1 around, any more than anybody else does, I'm sure they don't.
2 I know I don't. And the people I talk to and speak with --
3 it's not just the Indians. Apparently the Indian people I
4 have talked to don't know any more about this than I do.

5 Their leaders aren't telling
6 them either. It reminds me a lot of Ottawa. You know.
7 They're not telling us anything either. All I know is
8 the people that I have talked to want a pipeline, many of
9 the Indians that I've talked to want a pipeline, a lot of
10 them for some reason are afraid to say that they want a
11 pipeline. I don't know why. I can't even suggest why.

12 But, I want a pipeline, the
13 people of around here want a pipeline, as far as I know. I
14 think just about everybody in this room will tell you
15 eventually that the pipeline should be built here. It's
16 going to be good for us, it's going to be good for the Yukon,
17 and there's not much more I can say about it.

18 MR. CHAIRMAN: All right. Thank
19 you, sir. I'm not quite sure that I got the name. Was it
20 Hallman?

21 MR. HALLMAN: Yes, Hallman.

22 H-A-L-L-M-A-N.

23 MR. CHAIRMAN: Thank you.

24 There are some more seats up
25 here if the people near the door would like to come in.

26 Can I ask if anyone else is ready

1 with a statement, or an observation, or perhaps a question
2 that they would like to raise concerning the proposal?

3 JIM FLUMERFELT: SWORN

4 MR. FLUMERFELT: My name is
5 Jim Flumerfelt, I guess you could say I'm the road foreman,
6 club president, and what not here in Destruction Bay, but
7 I didn't -- I'm not really speaking for the members of the
8 club, but I would like to say that I think, like Mr. Hallman
9 stated, that a pipeline would be good and be very beneficial
10 to the Yukon, and I see no real problem, except in the area
11 of the actual construction, where construction crews could
12 get out of hand. But I think with strict controls that
13 this should not present too great a problem. There's one
14 item I was wondering about in regards to our community.

15 Now the previous pipeline hearings
16 here, they stated that Beaver Creek and Haines Junction would
17 have people stationed there. Now, I know a lot of people
18 here who would like to see an increase in our community and
19 there's no other way, other than other companies moving in,
20 that it could be increased. Our school is small, our whole
21 community is small and it relies pretty completely on
22 government agencies. Now if there's any way possible, I
23 would like to see the pipeline station some people here, if
24 possible, to help us out in our community growth.

25 I think that was the only thing
26 I really wanted to speak up on, so I thank you.

Mr. Burrell
Mr. Van Der Veen

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1 MR. CHAIRMAN: Thank you very
2 much, Mr. Flumerfelt. I take it that the representative
3 of Foothills will note your comment there respecting the
4 stationing of personnel. I don't know whether Mr. Burrell
5 has anything he wishes to say on that subject?

6 MR. BURRELL: No. We will note
7 your comment.

8 GARRY VAN DER VEEN: SWORN

9 MR. VAN DER VEEN: My name is
10 Garry Van Der Veen, and I'd like to say that I've lived in
11 the Destruction Bay area for twenty-four years.

12 I'm all for the pipeline, and
13 I think it would be good for the whole highway, the Yukon.
14 I'd like to ask a few questions about how many people or
15 men would be in one group at one time along this pipeline,
16 at any point? And I'd like to say that ^{I think} any of the problems
17 could be met in ways of game loss and that by strict
18 government control and slightly more stringent requirements
19 for licenses and stuff.

20 Thank you.

21 MR. CHAIRMAN: Thank you, Mr.
22 Van Der Veen.

23 Mr. Burrell, could I ask you
24 please to respond to the question about the number of men to
25 be at any one point at any one time?

26 MR. BURRELL: As I mentioned, the

Mr. Burrell
Mr. Rosevear

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1 compressor st -- I'm sorry, the construction camps for the
2 main line construction would have about 750 to 800 people.
3 I have with me in my case, the breakdown of the number of
4 people that would be estimated to be on each of the
5 different crews, such as the clearing and the grading
6 operations, and the pipe laying and clean-up and so on, and
7 in the compressor stations. I could, if you wish, make that
8 available, or talk to the person individually. However, I
9 would have to look it up though and provide that if you
10 wish.

11 MR. CHAIRMAN: I'm in your hands.
12 Is that agreeable, Mr. Van Der Veen. Yeah, sure. If not
13 before, perhaps at the coffee break you will have a chance
14 to --

15 MR. BURRELL: Fine, I'll do
16 that.

17 LEONARD ROSEVEAR: SWORN

18 MR. ROSEVEAR: My name is Leonard
19 Rosevear. I live in Destruction Bay, and at this present
20 time I would like to speak on behalf of the North Alaska
21 Highway Visitor's Association of whom I am the president.

22 I would like to give my, or our
23 position, and our position is as follows:

24 I want to make it perfectly
25 clear that we, along with those that work for wages, are
26 the ones that are going to have to foot the added cost to

1 any prolonging, or holding up, of the pipeline due to
2 Indian Land Claims, environmental studies, et cetera.
3 Therefore, not only do we want and support a pipeline along
4 the Alaska Highway, but we'll do everything in our power to
5 see the implementation of such a pipeline. And that a
6 member of the Association be on any future Board of
7 Inquiry to have equal input along with those of other
8 interested groups such as the Native Brotherhood, or
9 whatever. I want to state and emphatically so, that
10 this position not be taken lightly and to point out the
11 fact that it will be us and our children and our children's
12 children, who will bear the brunt of the social, financial,
13 and environmental impact of such a pipeline, if there is
14 an impact.

15 That unlike the members of the
16 Board of Inquiry, whether they be representatives of the
17 government, the environment, or the pipeline consortium,
18 who, when it is all over, can congratulate themselves and
19 move back to the city, or is a native who can look forward to
20 a native land claims and do as they will, it is us who will
21 have to live with and be expected to deal with the aftermath
22 of such a project.

23 In conclusion, I must say as
24 president of the Alaska Highway Visitor's Association,
25 representing the majority of those businesses along the
26 North Alaska Highway, that in our opinion, a pipeline is

1 necessary, and the logical place for such a pipeline is
2 along the Alaska Highway. And yes, we do want a pipeline,
3 and when? Just as soon as it is feasibly possible.

4 I thank you.

5 MR. CHAIRMAN: Thank you, Mr.
6 Rosevear. Can I just ask you before you step away from the
7 microphone about the representation of the Association. It's
8 North Alaska Highway. Is that all the communities between Whitehorse
9 and the Alaska border, basically?

10 MR. ROSEVEAR: We used to -- we
11 have changed our bylaws. It used to be known as the
12 North Alaska Highway Business Association, which took in
13 the area from the City limits of Whitehorse to the Alaska
14 border north, and the Haines road. But, in our last meeting
15 we have changed the name of the Association, and the name
16 now is the Alaska Highway Visitor's Association and this,
17 and we will be getting members along the complete Alaska
18 Highway and those roads and leading thereonto, and therefrom.

19 MR. CHAIRMAN: I see, thank you.

20 Can I get someone else to come
21 forward at this point. As I say, please don't allow yourself
22 to --

23 A VOICE: May I just ask a
24 question?

25 MR. CHAIRMAN: Yes. I'd ask
26 you to speak up, if you prefer to ask it from there, and just

Ms. Slusarchuk
Mr. Schuyler

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1 to let us --

2 MS. SLUSARCHUK: Who are all
3 those other people who are behind you up there?

4 MR. CHAIRMAN: Well, it might
5 take quite a while to do a roll call, but the press is
6 well represented along the wall there, and over here you see
7 the reporting staff. I mentioned at the beginning that
8 every word that's said at the hearings is taken down and
9 in due course, it's typed up. So that's the reporting staff.
10 The Secretary to our Inquiry, Miss Hutchinson, you've seen
11 come forward to swear people in when they give statements.
12 The Foothills there, yeah. And we have one of the -- as you
13 know there is also an environmental panel. It is to look
14 into the environmental aspects in particular of this proposal,
15 and the representative of that panel attends our hearings as
16 well, as an observer, Mr. Winmill, who you see right below
17 the bright lights is the representative of that panel.

18 Okay?

19 VAN SCHUYLER: SWORN

20 MR. SCHUYLER: My name is Van
21 Schuyler. I have lived and worked along the Alcan Highway
22 for approximately six years. I now live here in Destruction
23 Bay and returning to the testimony of Mr. Rosevear,
24 concerning the urgency of this pipeline, one of my concerns
25 is this: That if this pipeline is not permitted or built
26 in short order with all possible haste, allowing for whatever

1 safeguards are necessary. I'm concerned that the U.S.
2 Government will find it has to wait too long to get the
3 necessary approvals, and as such, build a line as they have
4 discussed in Alaska. And if this is the case, we as Yukoners,
5 and Canada as a whole, are looking to lose an enormous
6 amount of money. Revenues of all types.

7 This permit to build the pipeline
8 is being largely held up, as far as I can tell, by native
9 Land Claims, the Native Brotherhood, and other native
10 organizations who appear to wish to have their claim settled
11 before it is done. This is fine and dandy, but they should
12 realize that they may be hurting themselves very badly if
13 they were to delay this to such an extent as to stop it's
14 construction altogether. The revenues that they themselves
15 could receive, that the people they supposedly represent
16 in these communities, and so on, will all stand to suffer
17 if this pipeline is not built economically. Right now
18 what seems to be, in my opinion, a major problem with the
19 native communities; is lack of permanent employment, and it
20 appears as though a pipeline such as this could alleviate
21 some of this problem and help these people. So these
22 organizations that fight so hard against it, could in effect,
23 be hurting themselves.

24 Well, just to finish up, I feel
25 that economically a pipeline built here in the Yukon will
26 benefit everyone who is a Yukoner. There will be hardships

1 to be endured and so on, but on the whole it will be a good
2 thing. Thank you.

3 MR. CHAIRMAN: Thank you, Mr.
4 Schuyler.

5 Let me emphasize, it's not
6 necessary to have an elaborate statement, in order to come
7 forward, please feel free, however brief your comments might
8 be or whatever the nature of the point you wish to make.
9 It's very important for the reasons that I mentioned that
10 we get as good a sampling as we can of opinion and for the
11 reasons for the opinions that you hold.

12 MR. WILLIAMS: I would like to state
13 that I am in full support of a pipeline --

14 MR. CHAIRMAN: Excuse me, sir,
15 I must just ask you to identify yourself.

16 MIKE WILLIAMS: SWORN

17 MR. WILLIAMS: Mike Williams,
18 President of Destruction Bay. But I would like to know where
19 the guarantees will come from, after the pipeline is laid,
20 on clean up. We have two pipelines we've had here before,
21 an eight inch and a three inch. Well, neither one of them
22 is being used now and you go in the bush and see parts of
23 the three inch pipeline still left there. I'd like to
24 know if there would be guarantees that this won't happen
25 again. I realize that we're thinking a little different
26 than we had in the past. Also who would be paying for the

1 added services that will come with the influx of people,
2 such as medical, law enforcement, game guardian? I think
3 that's about all, but I am in full support of the pipeline,
4 if certain guarantees will be met.

5 MR. CHAIRMAN: All right. Thank
6 you Mr. Williams, you may prefer just to say at the microphone
7 in case you have a follow up question, because I'll ask
8 Mr. Burrell, now if he would respond to those two questions
9 that you -- I guess the one having to do with clean-up, and
10 the second having to do with the costs of additional
11 services.

12 Mr. Burrell?

13 MR. BURRELL: With respect to
14 the first question, and that's the clean-up after the
15 pipeline project is of no further use. First of all the
16 pipeline -- the eight inch pipeline, of course, is an
17 above-ground facility. The line that we're proposing will
18 be a buried facility, but it will have above-ground
19 installations at compressor stations. When the time comes
20 that the pipeline is of no further value in transporting,
21 whether it be gas, or some other product down the road,
22 all the above-ground facilities will be removed and the
23 sites restored to as close to their original condition as
24 possible. The normal practice with abandonment of buried
25 pipelines, is to abandon them in place, to leave them
26 safely out of service, but to leave them buried in their

1 original installed location. But as I say, the above-
2 ground facilities would be removed and the area restored.

3 And as far as the second question
4 is concerned, I think the construction phase is the phase
5 where most people would have concern about the impact of
6 the project on the surrounding area. As part of our policy
7 and part of the development of our project, we have -- we
8 intend and will install the workers, the construction workers
9 in isolated camps, isolated communities, self-contained,
10 they will have all the facilities that are required, you
11 know, for recreational, for -- there will be a tavern, we
12 propose to put taverns in the construction camps, there
13 will be movies provided. There will be no casual transporta-
14 tion made available to the workers. We intend that
15 southern workers will be hired in the south, brought in by
16 plane to the airport, and then bussed to the camps. That
17 there will be no hiring of southern workers in Yukon, but
18 the only people hired in Yukon will be Yukoners. These
19 camps will have medical facilities to handle the bulk of
20 the medical requirements that will result from accidents or
21 sicknesses during the construction of the pipeline. The people
22 will be -- the workers will be coming up on a single status
23 basis, not bringing their families, so -- and living in
24 camps, so we don't anticipate that there will be much, if
25 any demand on the school facilities, and the medical facilities
26 as I said before, we will have medical facilities in our

1 qualified?

2 MR. CHAIRMAN: The question,
3 Mr. Burrell, goes to employment practices, and I take it Mr.
4 Williams would be interested in what preference might be
5 given to Yukoners, whether native or non-native, applying
6 for the project and so on.

7 MR. WILLIAMS: I am not quite
8 clear of what is a Yukoner. Now, I've read one brief, a
9 Yukoner is, according to Foothills is left up to the
10 government to define. If you could tell me what a Yukoner
11 is?

12 MR. CHAIRMAN: Well, I don't
13 know if I would give you my definition, but I can tell you
14 in terms of what's been said to the Inquiry so far, I think
15 we've only had one definition offered to us, and that was
16 by the Chamber of Commerce in a brief they gave us in
17 Whitehorse, and they have suggested definition was anyone who
18 has been in the Yukon since January 1st, of 1977. I believe,
19 secondly, that the Government of Yukon is looking into that
20 specific matter and expects to be developing a definition.

21 MR. WILLIAMS: I see. But it
22 hasn't come up with a actual definition as of yet?

23 MR. CHAIRMAN: There has been no
24 definition finalized. The pipeline company itself has not
25 developed a definition in it's submission so far. It is
26 suggested that perhaps government or perhaps even this

1 camps, and if there is a need for workers to be evacuated
2 to hospitals, of course, we would, perhaps, evacuate them to
3 Whitehorse if the capacity is there to take them, or to the
4 south if it's necessary to do that.

5 As far as any costs that are
6 associated with the project, the policy of the Company is
7 that any costs which are directly related or can be traced
8 to the project will be the responsibility of the project.

9 Does that answer the questions?

10 MR. WILLIAMS: Well, yes. Some
11 of them. This influx of people. There will have to be more
12 law enforcement, I would think, which comes under the
13 taxpayers.

14 MR. BURRELL: We've had
15 discussions with the R.C.M.P. regarding the need for law
16 enforcement and we have reviewed our project with them, and
17 they have, as I understand, made some preliminary planning
18 to cope with any particular problems that may arise as a
19 result of the pipeline, but as far as security is concerned
20 on the -- at the camps themselves, Foothills will be providing
21 their own security forces at the camps.

22 MR. WILLIAMS: Another question
23 I would like to ask. The Brotherhood have their legal
24 advisors to look after the interests of the native population.
25 Who will be looking after the non-Indian interests as to
26 who should be hired, are you qualified, or are you not

1 Inquiry might offer a definition, when it reports, of a
2 Yukoner.

3 MR. PHELPS: Maybe I could just
4 add one thing and that is that some of the questions you
5 raise, or most of them, are things that we're hearing
6 submissions on from the company and other people in the
7 formal hearings in Whitehorse and these are aspects that
8 we're interested in hearing what you have to say about them.
9 For example, you know, if you have some idea about what a
10 Yukoner should be that's an interest to us.

11 Your other question was who was
12 going to look after your concerns, and I think that
13 primarily it will probably be the responsibility of the
14 Territorial Government, the Government of Yukon.

15 MR. WILLIAMS: Well, would there
16 be a separate committee set up for this, or would it be
17 our Council that would look after this?

18 MR. PHELPS: Well again, these
19 are things that we're studying, as well, as a Board, and
20 we're going to be hearing from the Government of Yukon in
21 Whitehorse at the formal hearings towards the end of June
22 or early July. But they are all issues which are important,
23 of course, and we're glad to hear that you are raising them
24 as well, but these are things we'll have to be considering.
25 You know, there's the issue of whether or not there will be
26 a pipeline, but aside from that there's the issue of what

1 kind of controls and so on. And there's a variance of views
2 as to know whether there would be inflation, and things that
3 might cause it and so on and so forth. These are all issues
4 that had been dealt with to some extent before us by
5 various people and things that we're hearing more
6 submissions on as time goes by.

7 The issue of what constitutes
8 a Yukoner is a very interesting one, and one that's going to
9 have to take a lot of thought. I think that the Territorial
10 Government, the Government of Yukon, are going to be making
11 recommendations in that respect as well.

12 MR. WILLIAMS: I see. I think
13 that's about all I have to ask.

14 MR. CHAIRMAN: Thank you very
15 much, Mr. Williams.

16 Is there anyone else who has
17 a question to pose, or -- yes?

18 JOHN TROUT: SWORN

19 MR. TROUT: My name is John
20 Trout, and I'm a lodge owner on the Alaska Highway, and a
21 businessman. Primarily, I wish to state that I am in favour,
22 emphatically so, of the Foothills Pipeline project, basically
23 for what it will do for the economy of the Yukon Territory,
24 and basically what it will do for the people in the areas
25 that it passes through in the form of employment and, of
26 course, beneficial to the businessmen along the Highway.

1 I have one pertinent question
2 that I would like to direct to the Foothills people and I'm
3 a little bit puzzled, my background, I've been in the Yukon
4 for three years. Previously I was employed in the
5 manufacturing of gas liquid separators, for fifteen years
6 in Edmonton with a firm called Porta-Test Manufacturing
7 Company, Porta-Test Engineering and Manufacturing Company.
8 Our firm is quite a prominent firm in Canada in the gas
9 analysis, reservoir gas well testing. At that time of the
10 Prudhoe Bay discoveries, and to the current date, the company
11 is still doing extensive gas well testing in Alberta and
12 in Alaska, Northwest Territories, et cetera. At intervals
13 of time, we had access to certain data that was non-
14 confidential, of course. This is as a result of gas well testing
15 up there. I was led to believe that the gas or oil
16 production from Prudhoe Bay could only continue for a period
17 of four to five years with the reinjection capacity of
18 the formation that particular area had.

19 Taking and keeping these facts
20 in mind, if the pipeline was delayed, say longer than a
21 year or two, I would like to know whether there is still a
22 possibility whether this pipeline would even be built,
23 relative to -- now possibly I stand to be corrected on the
24 reinjection capabilities of the formation up there, pertinent
25 to -- that is to gas reinjection. Knowing what we know
26 about conservation, the present day, I'm confident that they

1 would not allow the flaring of this gas so that just the oil
2 could be produced from Prudhoe Bay to Valdez and transported
3 down the coast. So, my question is; number one: What is
4 the time on the reinjection in the formation at Prudhoe Bay,
5 how long can they reinject into the formation, how long is it
6 going to be before they have to produce the gas or stop
7 producing the oil?

8 MR. CHAIRMAN: Thank you, Mr.
9 Trout.

10 Mr. Burrell? May I ask you
11 to respond?

12 MR. BURRELL: Well, as I
13 understand the Prudhoe Bay situation, there's a gas cap
14 which is non -- well it's gas separate from oil, and there
15 is gas in solution, and this is what you're talking, in
16 solution with the oil. It's my understanding, just as you
17 were saying, that they will need to produce the oil for,
18 I've heard two years, but it may be as much as four, as you
19 mentioned, they'll have to produce it for a couple of years
20 to produce the oil and reinject the gas into the formation
21 to determine the performance characteristics of the
22 reservoir. But after a period of two to three years, as I
23 understand, that it will become very costly and difficult
24 to reinject this gas into the formation and consequently
25 they will have to market the gas. Now, if they were to
26 reinject it would require a considerable amount of

1 compression facilities and so on and I'm not sure, in fact,
2 whether it would be practical to do that. So that means
3 that after about two or three years, they would have to
4 market the gas, they wouldn't be allowed to flare it from
5 what I understand. I can't believe they would allow them
6 to flare it, they certainly don't in Alberta, so that the
7 gas would have to move to market. The other thing, of
8 course, is that I think we're all aware of the gas shortage
9 situation that occurred in the U.S. and the northeastern
10 part of the U.S. last year and that the U.S. is in fact short
11 of gas. So it's my understanding that Canada is to make a
12 decision this fall as to whether they (a) will allow an
13 overland route; (b) which one it is, if they in fact do; or
14 the other alternative is no pipeline across Canada at all.

15 If that's the case, then of course the U.S. has only one
16 alternative and that is to go forward with the El Paso route,
17 which is the tankers -- L & G and tankers down the coast of
18 British Columbia and the western part of the United States.

19 MR. TROUT: Thank you, that
20 answers my question. I don't know how many of the people
21 directly in this area are aware of the situation that this
22 gentleman has just related. But what it means, to me, and I
23 think he'll back me up, is that if the decision -- forget
24 about a ten year moratorium, you don't need it. If this
25 decision isn't made in two years it'll never be made.
26 Possibly one year or sooner. I just wanted to bring this

1 point up, possibly some of the people at the Inquiry from this
2 area weren't aware of these statistics, that are available
3 to the public. But sometimes are not brought into prominence.
4 So, I just wanted to make that clear. Thank you.

5 MR. CHAIRMAN: Thank you very
6 much, Mr. Trout.

7 Can I invite someone else to
8 come forward with a statement or question? Yes, sir.

9 RON WILSON: SWORN

10 MR. WILSON: My name is Ron
11 Wilson, I live in Destruction Bay here. I'd like to say a
12 few words and give my support for the pipeline. I sure
13 hope, and hope it goes through because it will be good for
14 everybody.

15 One question I would like to ask
16 though, is I've been hearing stories from Alaska, and every-
17 body making twenty-five dollars an hour up there. I was
18 wondering if there was going to be any controls on the prices
19 of, you know, the wages, or you know, so everything else
20 doesn't go up compared to what the -- with the wages. You
21 know, I mean if you're making twenty-five dollars an hour
22 and us making eight, some -- there's going to be kind of a
23 short in between there. I was just wondering if there was
24 somebody here that it can -- has -- can enlighten on that
25 subject if they could.

26 MR. CHAIRMAN: We have had some

1 information put before us at the formal hearings. It suggests
2 that in Alaska the wage rates weren't that much higher, but
3 the big money, if you can call it that, came through working long
4 hours of overtime. But I might just ask Mr. Burrell if he
5 wants to speak to that question?

6 MR. BURRELL: Yes. That is
7 correct, as far as I understand. The actual hourly rate
8 was not that different from what you would see in comparable
9 trades that the additional amount of money was really made
10 as a result of working the long hours of overtime. Certainly
11 the plan on our pipeline would be that the workers would
12 work seven days a week, ten hours a day, and their normal
13 base rate for construction would be similar to that of other
14 trades, if not identical, in the same category. As I use an
15 example of operators working on the pipeline as compared to
16 an operator who's working on the highway. His standard rate
17 would probably be about the same, it would undoubtedly be
18 about the same, but the difference would be, if there was a
19 difference in the pay cheques, would be the difference in
20 the amount of overtime which was worked.

21 MR. PHELPS: I might just add
22 one thing, for your information, and that is that we are
23 going to go to Alaska to try to find out what did happen
24 there. We do have some information from Alaska, but these
25 are problems; they are all complicated, because some people
26 would be working long hours overtime and it means that people

1 will be leaving jobs to go to the pipeline and that means
2 increasing wages in private business and so on. There's a
3 lot of complications to it.

4 MR. WILSON: Thank you.

5 MR. CHAIRMAN: Thank you, Mr.

6 Wilson.

7 Excuse me, Mr. Williams, I just
8 want to make sure that you can be heard, and if not, ask you
9 if you would come to the microphone. Would you mind, thank
10 you.

11 MR. WILLIAMS: What I wanted to
12 ask after reading proposals that Foothills has out that they
13 will support the local business where, I think he says, it
14 is practical. Well, I think is what they mean is that they
15 will be dealing directly with the wholesalers, not the
16 small businessmen. This is not practical, price-wise to
17 deal with the local businessman. The small businessman.

18 I was just wondering if he in
19 fact means the local business, the wholesalers, such as oil
20 companies, the food wholesalers? This type.

21 MR. CHAIRMAN: Could you speak to
22 that Mr. Burrell?

23 MR. BURRELL: We mean the local
24 businessmen, and as was said our policy will be to, where
25 practical, to buy goods and services from the local business-
26 men, contractors, et cetera.

1 We will be developing a bidder's
2 list, which will have on it the names of the various
3 businessmen and the services which they provide, and we will
4 be using that to enable us to buy as much of our materials
5 and services, locally, as it is practical to do.

6 One of the things that -- one of
7 our positions is is that in many cases the quantities that
8 are required on the pipeline are larger than, say a local
9 businessman could provide, and I've used housing quite often
10 as an example, where, perhaps we would need let's say twenty
11 houses in a community, and the local contractors are only
12 able to build, say two or three. No single contractor is
13 able to build twenty. What we would do is we would split our
14 contracts up in such a manner that the local businessmen
15 or local contractors could bid and build the number of
16 houses that they are capable of building, so that instead
17 of one contract for twenty, we might have six contractors
18 for three or four, along that line, rather than saying I'm
19 sorry, we have to go out to the outside and talk to one of
20 the larger contractors who in fact can build twenty houses.

21 The second thing, of course, is
22 that we intend to have as much lead time as is practical to
23 do so, and giving the Yukoners an opportunity to bid on the
24 job.

25 One matter with respect to this
26 bidder's list, is that in a number of cases there will be

9 When we say, when it's practical
10 to give it to northern -- you know to give contracts to
11 northern businessmen, it's tied in with the ability of the
12 contractor to satisfy the demands of his ongoing business,
13 so that's part of the reason for saying where it's practical
14 to do so. Because we certainly don't want to be in a position
15 to take all the goods and services away from the local
16 community and not enable the normal customers of the
17 businesses to be properly serviced. We want to avoid that.
18 But on the other hand, we want to give the northern business-
19 man every opportunity to participate in our company. This
20 applies not only to the construction phase, but to the O & M
21 phase, and I think it's the O & M phase really that is the
22 important area, because that's where the ongoing opportunities
23 and long term opportunities will be for businesses and
24 employment for that matter. I think that that's where the
25 local businessman should be looking to service the pipeline,
26 not that there isn't opportunities in construction, but there

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1 are, but it's the long term opportunities in O & M I think
2 that should really be looked at.

3 MR. WILLIAMS: Thank you.

4 MR. CHAIRMAN: Thank you, Mr.
5 Williams.

6 Is there anyone else at this
7 point with -- yes, sir?

8 BOB WHITE: SWORN

9 MR. WHITE: My name is Bob White,
10 I've lived in the Yukon eleven years and I've lived here for
11 ten years. I have a few questions. I have a business,
12 taxidermy business here, and rent boats, fishing-type
13 tourist business, and I want to know how this pipeline will
14 affect my business? They say that they are going to try and
15 do as many things for local business as they can.
16 I classify myself in the same types of business as a hunting
17 outfitter, or wilderness fishing lodge, or anyone dealing
18 with tourists -- strictly tourists.

19 MR. CHAIRMAN: Mr. White, if you
20 would like to remain there for a moment, and see if Mr.
21 Burrell has some comments to make.

22 MR. BURRELL: In the construction
23 phase, in the particular line of work -- the business that
24 you have, it may not result from the project directly an
25 expansion in your line of work, because the construction
26 workers themselves will be in camps and they will be working

1 long hours. So, I think, that perhaps on the construction
2 phase you may not see as perhaps a large rise in the business
3 that you're in as a result of the pipeline, but I'm certain
4 that say from the tourist industry and so on, you would see
5 use of boats -- your boating services and so on.

6 I think in the operations phase,
7 it will be different because the controls that we intend to
8 put on the construction camps won't apply in the O & M phase.
9 We'll be moving in people that do move in to fill the jobs
10 that aren't being filled by Yukoners. They'll be moving
11 into the communities and becoming part of the normal
12 community, and I would expect that the O & M workers that
13 are on our pipeline would want to utilize the services of
14 your boating facilities, and if some of them are hunters,
15 I'm sure that they would want to utilize your taxidermy
16 facilities too.

17 This may not be a complete answer
18 for you, but as I see it now, that's basically how, that I
19 see it.

20 MR. WHITE: Well, I was a little
21 late in getting here, but I'd like to know how many men,
22 approximately, would be employed and for how long?

23 MR. BURRELL: As far as the
24 construction is concerned, there are seven spreads in the
25 Yukon. That would mean that there would be seven camps.
26 The construction takes place in the months of January to

1 March of 1980 and '81, and in June to September of 1979, 1980,
2 and '81. So, during those periods there will be two
3 compressors -- there will be two spreads working in those
4 particular periods and each of those spreads would have
5 approximately 750 to 800 men during that time frame. Now
6 construction would be complete in order to allow gas to
7 flow in 1981. There will be some compressor stations built
8 later to allow an increase in the flow to 2.4 billion a
9 day in January 1, 1983. But as far as the O & M is
10 concerned, those are long term jobs. They will be available
11 for the life of the pipeline. We're estimating that the
12 requirement would be approximately 190 O & M jobs within
13 the Yukon; 22 in Beaver Creek, 22 in Haines Junction, we're
14 estimating 22 in Teslin and in Watson Lake, and about 100 in
15 Whitehorse. So that's pretty well the manpower requirements
16 of the project.

17 MR. WHITE: Well, how many men
18 would you be hiring -- what percentage would be Yukoners and
19 how many would be coming from outside?

20 MR. BURRELL: In the O & M phase
21 we've estimated that fifty per cent of the jobs, or about
22 95 of the 190, could be filled by people without previous
23 pipeline experience. As I was mentioning earlier, once we
24 receive the permit we would intend to recruit the Yukoners
25 and take them down to Alberta and British Columbia and give
26 them a training, so that when the pipeline becomes operational

1 they can come back and take on the operating and maintenance
2 jobs on the pipeline.

3 In the construction phase, we've
4 estimated the peak manpower would occur -- this is just to
5 give you some idea, the peak manpower would occur in the
6 summer of 1980 at about 2300 people. We estimate on the
7 construction that about sixty per cent of the jobs could be
8 filled by people without having specialized pipeline
9 training.

10 I wanted to add one other thing
11 too, and that is in the O & M phase, we've said that people
12 without previous pipeline experience would be about fifty
13 per cent, but in addition to that, there are requirements
14 for other jobs, such as housing co-ordinator, stenographers,
15 and so on, that are not in that category. So, we would
16 expect that more than fifty per cent of the jobs would be
17 filled by Yukoners in the O & M phase.

18 MR. WHITE: Yeah. I have another
19 question here. I would presume the construction phase would
20 be all unionized?

21 MR. BURRELL: Yes, we're assuming
22 that that would be the case.

23 MR. WHITE: Okay, take in my
24 case, for instance, not belonging to a union, how would I
25 go about getting in?

26 MR. BURRELL: Well, I should

1 clarify my last answer. The construction of the pipeline
2 would be unionized. The operating and maintenance phase of
3 the pipeline will not be unionized. None of the -- it's
4 tradition that in the pipeline business in Canada that the
5 operating and maintenance phase is not unionized.

6 As far as the construction phase,
7 yes, you would have to be a union member in order to get
8 employment on the pipeline. How that would work, of course,
9 is that you would apply to become a member of the union, I'm
10 sorry I don't know all the details of how it works, but you
11 do become a member of a union. In order to facilitate
12 that, we have had discussions with representatives of the
13 Yukon Government and Canada Manpower to develop what we
14 refer to as a manpower delivery system, which will make it
15 as easy as possible for the Yukoners to get hired on the
16 construction phase.

17 We intend to pursue this manpower
18 delivery system with the unions and the contractors so that
19 a simple procedure is set up, which will enable Yukoners to
20 become, on the construction phase, if they're going to work on
21 the pipeline, to become union members and to get a job with --
22 in the easiest possible way.

23 MR. WHITE: In other words, it
24 just wouldn't be all that easy to get in the union?

25 MR. BURRELL: We don't -- in the
26 discussions we have had with union people, we don't expect

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1 that that will be a problem at all. It's -- we want to set
2 up the procedure to make it as efficient and as easy as
3 possible for Yukoners to take advantage of the construction
4 jobs.

5 I wanted to mention one other
6 thing too, is that our project will give preferential hire
7 to Yukoners. That means that Yukoners will have the first
8 opportunity to get jobs on the, not only in the construction
9 phase, but in the O & M phase too.

10 MR. WHITE: Yeah, uh --

11 MR. ROSEVEAR: Bob, if you don't
12 mind, I might be able to help clarify that, having worked on--

13 MR. CHAIRMAN: Mr. Rosevear,
14 perhaps if you speak up.

15 MR. ROSEVEAR: -- some very large
16 projects in Canada, the Peace Power Dam is one, at Hudson
17 Hope, as well as the St. Lawrence Freeway, and there again
18 preference was given to people living in those areas. Now
19 what takes place in a case like that where union help is
20 required, is that the union, in any particular area, has just
21 so many people that are unionized at that particular time.
22 Now they have to be locals, but as soon as these people are
23 out on the job, then they are required to go out and give a
24 ticket to other people desirous to get on the job as an
25 operating engineer, or truck driver, or whatever. When they
26 cannot supply, then they have to organize, or allow other

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1 people into the union. So, this is how other local people
2 here in this vicinity, for instance, though they are not
3 members of a particular union, as soon as those union members
4 are working, they've got a job, and they become unionized.

5 MR. BURRELL: As we see it
6 happening, this manpower delivery system would be set in
7 place and then people would be made aware, Yukoners would be
8 made aware of the job opportunities that are available on
9 the pipeline construction. They would also be made aware of
10 how they would go about joining the unions.

11 Actually, there would be an
12 arrangement as we see it, and this is still in the preliminary
13 stage, where people would indicate their interest in working --
14 Yukoners would indicate their interest in working on the pipe-
15 line, they would make it known through this manpower delivery
16 system and the arrangement would be made for the people to
17 become members of the union in order to then go out and
18 work on the job. But, as we see it, the proper way to do
19 this and make it as efficient as possible is through this
20 manpower delivery system, which will set out the procedures
21 to enable the people to get construction work.

22 MR. WHITE: Yes, I'm just a
23 little bit leary on this other question that was brought up,
24 about the difference in prices. My experience in the last
25 two years -- last three years, well, mostly the last two
26 years; I've had a lot of elderly people who have lived in

1 Alaska all their lives coming in and telling me they just
2 have to move out. They just cannot support themselves up
3 there with the high cost .

4 I'm just wondering if that
5 situation wouldn't arise here. I think everybody realizes
6 there are a lot of unemployed people here without trades in
7 this -- probably the whole North, and they just seem to get
8 by. I just wonder if there has been any check made into
9 that?

10 MR. CHAIRMAN: We have had other
11 people express that concern, both in the formal hearings and
12 in the few informal hearings that we have had to date, Mr.
13 White. Mr. Burrell would you care to speak to the matter of
14 inflationary pressures and so on?

15 MR. BURRELL: This is certainly
16 a major concern, and I think one of the major concerns with
17 the pipeline project is what are the effects from an
18 inflationary standpoint, what are the effects going to be on
19 the local residents? I've mentioned before, we have looked
20 at the Alyeska project, we've looked at other projects to
21 see what difficulties have arisen, not only in the inflationary
22 area of concern, but also in other areas of concern, such
23 as in-migration and so on, to see what has caused the problem
24 and what we can do to minimize this impact. Certainly
25 there is going to be some impact as a result of the
26 construction of the pipeline. I think there's impact with

1 regard to anything you do, but our policies with respect to,
2 for instance, an inflationary area, is that -- I think
3 inflation results as a result of lack of supply of goods and
4 services, and a high demand on them.

5 Our policy positions will be
6 that we will purchase in such a manner that it does not cause
7 a shortage in supply to the local people.

8 One way in which we have suggested,
9 as an example, the supply of food, for instance. Rather
10 than going into the local merchant and cleaning off his
11 shelf, so to speak, we would go in to the merchant and say
12 we would like to buy from you the supplies necessary for our
13 camp, but we will be buying by the truckload. So we'll
14 deemed to have bought it from you, but the material will be
15 supplied from a warehouse in southern Alberta -- southern
16 Canada, and trucked up by his store to our camp. And even
17 though he, in fact, has acquired the goods and services, it
18 hasn't crossed his shelves. So there has, as far as his
19 store operations, he hasn't realized this transaction at all.
20 There's no increase in staff required. Certainly the goods
21 that are on his shelf have not gone to the pipeline, he has
22 made a sale, but it's been from the warehouse in southern
23 Canada to the camp.

24 MR. WHITE: Well, that doesn't
25 answer my question, because I didn't say it right, I guess.

26 You know, when people are making

1 high wages, and there's a lot of money around, it goes around
2 pretty good. That's where these older people have lost out.
3 They just haven't been able to run fast enough to get it.

4 This is what I'm getting at.

5 MR. BURRELL: I think, as I said
6 before, that that could be a problem, and what I'm saying here
7 is that we have learned from the Alyeska experience and have
8 structured our project in such a way so as not to -- or to
9 minimize these inflationary effects that have occurred in the
10 Alyeska situation. This is pretty well what everybody
11 relates to, and I think in Alyeska one of the big difficulties
12 that occurred was the approach that Fairbanks took with
13 respect to the Alyeska project.

14 Fairbanks asked Alyeska if they
15 would put their construction people in Fairbanks, they asked
16 if they would use Camp Wainwright, which is adjacent to
17 Fairbanks, as a construction camp. They did. And as a
18 result of that there was a large influx of people into
19 Fairbanks calling on the goods and services which were
20 normally set up for the Fairbanks of a previous population
21 size and so it did put a demand on the supply of goods and
22 services. This was a major factor in the inflationary
23 trends within Alaska.

24 Now, I've talked to some people
25 up there, and they have said that as far as they were
26 concerned if they were to do it again, they would not ask

1 Alyeska to locate in Fairbanks, and not use the Camp. They
2 felt that this would minimize to a great degree some of the
3 difficulties that Fairbanks encountered.

4 So, what I'm saying is, that
5 certainly there will be difficulties but we believe that the
6 policies that we have developed and are bringing forward
7 and which I spoke to earlier will tend to minimize the
8 difficulties which include inflationary trends, which were
9 experienced on the Alyeska project.

10 I know in southern Canada at
11 Fort McMurray for example, they have a very large camp
12 there. My information in talking to people that have been
13 there is that basically the people in Fort McMurray are
14 really not too aware of the people that are in the
15 construction camp. They tend to stay in the construction camp
16 and they have very good recreational facilities, a bar, a
17 tavern, and so on. Fort McMurray has not felt the same
18 impact as a result of that project as Alyeska did as --
19 or as Fairbanks did as a result of the Alyeska project.

20 MR. WHITE: Well, that brings
21 up a good point, because I worked in Alberta on construction
22 projects, and any truck drivers I met tried to avoid making
23 trips to Fort McMurray because of the high costs in cafes
24 and rooms and what not, so --

25 MR. BURRELL: Yes, well I can't --

26 MR. WHITE: --this is -- I'll

1 make it short anyway.

2 MR. BURRELL: -- I can't, I have
3 to say the information that I got indicated that as a result
4 of the construction, the problems in Fort McMurray were not
5 that great. I can't, you know, I can't say that my
6 information contradicts yours, or that your information
7 is right and mine is wrong. But the information certainly
8 that I got is that, and I'm sure your information is valid
9 too.

10 MR. CHAIRMAN: Mr. White, if I
11 may, I hesitate to interject, but we're going to take a
12 coffee break anyway, but I do have a note that the people
13 who are keeping a record of the proceedings has to have a
14 break very quickly to change the tapes.

15 MR. WHITE: Okay, I was just
16 going to finalize here, and say that my experience with
17 the pipeline as it happened in Alaska, it just more or less
18 took all my business away from me as the tourists just
19 quit coming -- the regular tourists who come every year,
20 and they just gradually faded away, and I asked them, and
21 they say they just can't afford it up here any more, so if
22 this pipeline does go through, I would definitely be looking
23 for employment on it, from start to finish.

24 MR. CHAIRMAN: Thank you. I
25 certainly don't intend to cut you off, but I propose that we
26 take our fifteen minute break and then I'll call on you

1 first if I may right after the break, to find out if you do
2 have an additional question.

3 Thank you very much, indeed, sir.

4 (PROCEEDINGS ADJOURNED)

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1 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

2 MR. CHAIRMAN: Ladies and
3 gentlemen, I wonder if we might get under way again, please.

4 Just before the coffee break
5 I said I would ask Mr. White, if by way of afterthought or
6 anything else, you have something to add, because I did sort
7 of interrupt there for the break?

8 MR. WHITE: No.

9 MR. CHAIRMAN: All right.
10 Thank you. So, can I ask if anyone else has a statement to
11 make or a question to ask? Sir?

12 Sir, I would ask, whenever you
13 are ready, I would just ask for the record for you to start
14 with your name, if you would, please?

15 CHARLES EIKLAND: SWORN

16 MR. EIKLAND: Charles Eikland.
17 I am vice-president of the community club, here, chairman
18 of the school committee, and also in charge of electrical
19 or electrical plant for Burwash and Destruction Bay.

20 I would like to talk about this
21 pipeline and what I think of it. Maybe I'll give some of
22 my history first. I was born here during the building of
23 the Alaska Highway when it first started in the 1940's.
24 I have noticed quite a bit of activity since that. Before
25 the highway came through we used to live in a cabin in the
26 bush and trapped for a living, and prospected during the

1 summer for gold for a living. When the highway came through,
2 I remember I first seen it, I was just a little kid, I didn't
3 know what these things going down the road on wheels were.
4 Since that I went to school in these different two communities.
5 Beaver Creek -- well Beaver Creek wasn't there then, it was--
6 I used to go to school in Snag, to the catholic school for
7 one or two years, and then I went to Haines Junction after
8 that, then back to Beaver Creek. I'm sort of against this
9 pipeline. I know I'm the only one speaking here against
10 it, and I think somebody should. Because I think I under-
11 stand the two cultures, I understand the native culture,
12 because we were born in the bush. We used to live and eat
13 off the land. We didn't have no way of getting groceries
14 and stuff except by boat or by dog team, from Dawson City
15 in those days. So, I understand the native side of it also,
16 because of the impact the highway had brought in with it,
17 all the bad stuff mostly; none of the good stuff went to
18 them. I also understand the white side of society a little
19 bit now, since I work in white societies since '56 or '55
20 as equipment operator and plant operator. I also took a
21 course in welding in '57, I have a certificate in welding,
22 and I was supposed to weld two years in the field before I
23 took high pressure, which I never done. I think this pertains
24 to this pipeline also.

25 As the previous speaker said
26 that the natives don't need a ten year moratorium, I think they do

1 because right now, the natives are having a hard time adjusting
2 to the society. I had a hard time myself. I'm still having
3 problems, but, I still don't understand all the angles of
4 how to get into business and all this, which the native people
5 don't understand. Lots of them speak Indian, they don't
6 understand what this type of Inquiry is about.

7 So, I think they need more time
8 and -- to adjust, because for instance, I think that a
9 north highway now there's only about two -- I'm half -- like
10 I said I'm half Indian, half white. There's only two
11 permanent, I think, for the north highway that's half-breed
12 or Indian that works year round. This is one thing too,
13 and you know all the rest -- all the other people have
14 business, and of course, the thing you think about is the
15 dollar bill, they don't think about the effects of it.

16 What makes me mad is we have
17 to jump to everything that the Federal Government wants, or
18 United States wants. It seems like we have to jump to it.

19 And why -- because of the dollar
20 bill, big business, and business. They don't worry about
21 the ordinary individual like myself that doesn't gain. I
22 won't be gaining nothing anyway, except I'll be gaining more
23 higher food prices and more higher from the gas, more
24 higher for the room rental, and everything will be raised
25 up. I'm on a fixed income and I won't be getting no
26 subsidy, and I think the old people -- the pensioners, and

1 people like this that's on fixed income are going to really
2 have a hard time. They are going to be on a set income and
3 I think the Federal Government is going to have to think
4 about subsizing them or something, if that is the case, you
5 know.

6 I say that we hold back all of
7 this big development that's going on. It's just too early,
8 I mean, everybody comes moves, comes up to the Yukon, they
9 says oh I want to get away from that rat race down south, I
10 want to get up here where it's calm, there's lots of game,
11 I can fish and this and that. Now, all of a sudden, most
12 of these peoples are transient people here, and they all
13 come up here to get some freedom and now all of a sudden
14 they ask, let's bring in all the development that's possible.

15 I don't think that's right. I think we should just hold
16 it down, or go one step at a time.

17 I think that's about all I got
18 to say. I'm against the pipeline anyway, and I figured
19 somebody should speak up against it, because everybody here
20 is for it. The majority of people here are transients and
21 that's what problems we have with our small communities, is
22 transients. We have a hard time to keep the communities
23 going, because people are not interested that much, they
24 say well, I'm going to be ^{here} a couple of years, why worry about
25 it.

26 It's the people that's going to

1 make their home here that's going to have to pay the high
2 price after the thing is done, and prices always go up and
3 you can't get them down, no way.

4 This lots of areas, the same
5 as the Aishihik power dam, everybody was promised to get
6 power rate cuts. The power rate cuts hasn't been in effect.
7 Everybody -- all the individuals has got to pay the power
8 because possibly about forty or sixty per cent of it is
9 used by mining companies and to make the individual taxpayer
10 like me have to pay for it which I don't like. I think it's
11 about time the individual speaks up about tourism -- they
12 squawk about tourism -- they use my tax dollar for tourist
13 campgrounds and all this. I don't get nothing out of that.
14 Nothing at all.

15 So, I think that -- I'm against
16 the pipeline -- I think we should just slow it down, because
17 everybody says we're last frontiers so let's keep it that
18 way because you start bringing in pipelines and all this and
19 that, and in comes your unions and all kinds of turmoil you're
20 going to have. One thing after another, just like, well,
21 they're having problems all over. The same as I have seen
22 on CBC Television about the James Bay Project, the people
23 in Quebec pay more for the power than the United States people
24 pay for their power because the States use the volume of the
25 James Bay project and this type of stuff goes on and I say
26 the heck with them. I think we should stop it. Thank you.

1 MR. CHAIRMAN: Thank you very
2 much for coming forward, Mr. Eikland.

3 Can I ask if anyone else is
4 ready with a comment or a question.

5 BRUCE TEMPLE, Sworn.

6 MR. TEMPLE: By name is Bruce
7 Temple. I have lived in the community off and on for ten
8 years now. I live and plan on living in the community for
9 the next number of years or I don't know how many.

10 So far, I've been listening to
11 the Inquiry and I'm glad there is an Inquiry for this. I
12 must say that I am for the pipeline. I find that most of our
13 detractors against the pipeline are people who are either
14 government people or people who are subsidized by the govern-
15 ment and the only thing that I can see right now, is if the
16 pipeline does not go on on schedule, that there will not be
17 a pipeline because if it does not go in, the pipeline will
18 go through to the Coast -- we will lose it that way -- or it
19 will be lost through Indian land claims.

20 Now, Indian land claims is a very
21 touchy subject up here and I wished there was an Inquiry on
22 that so that the normal person would be able to speak his
23 opinion on that. Thank you.

24 MR. CHAIRMAN: Thank you, Mr.
25 Temple. Would anyone else care to make a statement or ask a
26 question? Mr. Hallman?

1 MR. HALLMAN: Charlie mentioned
2 that most of the people around here are transients and in a
3 sense of the word, maybe they are. I think a lot of us have
4 been in the Yukon -- well, I've been here five years -- going
5 on six years; Leonard's been here almost seven; Van's been
6 here almost seven. We move from community to community. We
7 work for the Department of Highways.

8 We would -- we'd like to stay in
9 one community. We all have kids, we want to see them get
10 good education and the only way they're going to get a good
11 education without shipping them to Whitehorse or outside
12 somewhere, is to have a little development in this country
13 so that it'll build it up. It's not going to hurt it. There's
14 two hundred and fifty thousand square miles, I think it is, of
15 country up here. A little strip right down the side of this
16 southwestern side here -- is not going to hurt the country.
17 I'd like to stay in one community when my kid grows up, you
18 know. I want her to get a good education though and like I
19 said, the only way I can see her getting a good education is
20 for this country to grow a little bit and build schools for
21 your children -- native, white -- it doesn't matter, you know,
22 but it's a big world out there. I've been around it twice
23 and people around here are going to have to grow up and live
24 in that world, whether they stay here, whether they go outside,
25 no matter what they do, they're going to have to live in that
26 world.

Mr. Hallman

1 If they're stuck with what we've
2 got here right now, sending their kids to Whitehorse, not
3 having a family life, they'll continue to be transients.
4 They won't stay in one community all the time. I'm not
5 knocking Charlie's statement. I appreciate his views too.
6 He's got his opinions, I've got mine. I'm sorry that he
7 feels the way he does, but I think personally, if everybody
8 stops and thinks and this is what this Inquiry is
9 for, that you'll find that in the long run -- sure, there's
10 going to be short term effects -- and like Charlie says, the
11 old age pensioners, the people on fixed income -- they're
12 going to suffer the worst for a short time, but the long term
13 effects I think, will be greatly beneficial to everybody,
14 whether it's my kids, the kids in Burwash, Charlie's kids,
15 no matter who. Everybody's going to benefit in the long run.

16 Well, there's not much really
17 more I can say. I hope everybody understands what I'm trying
18 to talk about. Thanks for the Inquiry, thanks for letting
19 me speak and that's it.

20 MR. CHAIRMAN: Thank you for
21 coming forward, Mr. Hallman. Yes sir?

22 MR. FLUMERFELT: If I can get
23 them out the way I want to say them, it's further to Mr.
24 Hallman's and Mr. Eikland's statements.

25 I believe one reason a lot of the
26 people in the Yukon are transient, like he says, small

1 communities like this, where you don't have grade twelve
2 schools, people have to move for their children to get better
3 educated. If they don't move, they send their children to
4 Whitehorse. They're sending them in at the age of thirteen
5 or fourteen, at which time, they really parental guidance, I
6 believe.

7 I think a lot of them in this
8 situation, could very easily turn into delinquents. Now,
9 one reason -- another reason too and I think it hinges on
10 the native land claims -- nobody in the Yukon except the
11 undeveloped communities, can buy a piece of land to build
12 their home on. I would like some answers to this some time,
13 but that's really not relevant here, but I know I would.
14 There's several people in this room that would love to own
15 their own property and their own house but you can't do it.

16 Now, I've -- I don't know what
17 else I can add to that, but I'd like to ask the Inquiry what
18 -- how the pipeline is going to obtain the right-of-way and
19 the land to put their construction camps on, when a resident
20 can't even buy an acre of ground or lease it.

21 MR. CHAIRMAN: Thank you, Mr.
22 Flumerfelt. Maybe I could ask Mr. Burrell if he'd just like
23 to say a few words about the National Energy Board process
24 and what a pipeline company goes through in terms of the
25 applications it makes for a right-of-way and the like.

26 MR. BURRELL: As far as the

1 process of applying for a pipeline is concerned, you make
2 application to the National Energy Board for a certificate of
3 necessity and convenience which then allows you to -- which
4 would give you if you are successful, gives you the necessary
5 permit to go ahead with the pipeline construction. But in
6 addition to that, we have made an application to the Department
7 of Indian and Northern Development for a right-of-way and we
8 would look to them to provide or to make it possible for us
9 to get the land necessary -- crown land necessary -- for the
10 easements necessary to build our pipeline.

11 Now, in the case of land that is
12 owned by individuals, we would do as we do in the -- in
13 Alberta -- we would negotiate with the individual landholders
14 for the right to cross their property with the pipeline or in
15 the case of construction or a permanent facility, we would
16 negotiate with them for the right to purchase the property to
17 put our facilities on.

18 That's basically how we would
19 intend to go about it, in the same manner as is done normally
20 under the -- any pipeline that is constructed. The only
21 difference in any -- difference between what is done in
22 Southern Canada and in the North is that an application in the
23 North -- whether it be in the N.W.T. or the Yukon, there is
24 an application made to "D.I.A.N.D." for a right-of-way across
25 crown property.

26 MR. PHELPS: Just to add something

Mr. Phelps
Mr. Eikland

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1 -- I guess my own personal opinion -- I agree with your obser-
2 vation about land and the problem that the people have. It's
3 a thorn the size of course, of everybody in the Yukon and it
4 is I think, one of the primary concerns of the Government of
5 Yukon.

6 The rationale behind this Inquiry
7 is that the applicant Foothills, is making an application for
8 land from the Minister of Northern Affairs and that's why
9 we're here, but I'm glad you came forward with your concern
10 because it is a very real issue and I'm glad that the people
11 have mentioned it.

12 MR. CHAIRMAN: I see Mr. Eikland
13 has his hand up as well. Is this a follow-up to the last
14 subject, Mr. Williams? Mr. Eikland, was yours on land or on
15 a different subject?

16 MR. EIKLAND: Yes.

17 MR. CHAIRMAN: All right, why
18 don't we hear from you first then if we may. Would you care
19 to come up to the microphone?

20 MR. EIKLAND: As Jim was
21 mentioning that local people can't get land, I checked in
22 town with the Land Department there and I got kind of mad at
23 them because since I'm a Yukoner, born here, I said how about
24 if I want to get a little piece of land to build a cabin
25 someplace. Oh, he said no, we can't let you do that. Oh I
26 said, how come you let businesses get more land and there was

1 no answer and he just said, yeah, well, if you're starting a
2 business, I guess so. We could let you have some more land.
3 That's the type of deal that's going on. As long as you're
4 business, you can get it, as an individual, no way. That's what
5 they told me anyway. I went right into the Land Office, so
6 that's what I found out from there.

7 MR. PHELPS: Excuse me, Charlie.
8 Was that -- which government did you go to? Can you tell us
9 -- the Federal or the Territorial?

10 MR. EIKLAND: I went to the
11 Territorial Government.

12 MR. PHELPS: Did you go to
13 Retallack?

14 MR. EIKLAND: Yeah, well, I
15 didn't go to Retallack -- there was somebody at the office
16 there -- I don't remember who, but the trouble is townsite
17 of Destruction Bay was transferred from the Federal Govern-
18 ment in the summer of 1975 last year. The townsite was
19 transferred over to the Territorial Government and since that,
20 there's been some land transactions and so I figured well, I
21 might as well get some land too and that's the type of answer
22 I got from them so, I think maybe I'll have to get tough with
23 them and start going through other channels.

24 MR. CHAIRMAN: Okay, thank you
25 Mr. Eikland and Mr. Williams had a question.

26 MR. WILLIAMS: Just a very short

1 question. I was wondering -- we talked about this before --
2 that area around Sheep Mountain which is actually in the park.
3 The pipeline would have to be in the park. Do you have per-
4 mission from the National Parks people to actually have a
5 right-of-way through that part of the park?

6 MR. BURPELL: We don't have
7 permission from anyone for land. With respect to -- at this
8 point in time -- that will come when we -- if we are granted
9 the permit to construct the pipeline -- with respect to the
10 area around Sheep Mountain, that's certainly an area of
11 concern in locating the pipeline.

12 We are in the process and have
13 been for some time, having discussions with representatives
14 of the Parks Department and with the Department of Public
15 Works who are looking at the realignment of the Alaska Highway
16 as you know, and we're having discussions with them to see
17 how best the pipeline and the roadway for that matter, can be
18 located in that area, so that it causes the -- a minimum
19 amount of environmental impact.

20 Now, these will be ongoing and
21 hopefully that we can reach a solution that is satisfactory
22 to everyone. I know that we have concluded that construction
23 during the summertime would be the desirable thing to do and
24 we've done that in our planning, but the location of the pipe-
25 line has not been decided yet, but hopefully, it will be with
26 discussions with these groups.

1 One other thing I wanted to add
2 and I neglected to say earlier, there are concerns and rightfully
3 so about the impact that the pipeline will have on the
4 communities and on Yukon in total. People relate to the
5 Alyeska situation as I mentioned before, we were learning
6 and have learned from the experience in Alyeska and from other
7 construction projects in Canada. I think another important
8 thing that I failed to mention and should have mentioned, is
9 the fact that Canada has recognized the difficulties with
10 these -- with what has happened in Alaska and has set up
11 Inquiries such as this to get these feedbacks from the local
12 people, the concerns that they have and from that, we would
13 expect that there will be terms and conditions developed as
14 part of the project which will be structured to minimize the
15 problems that could result from the pipeline and those in
16 combination with the policy positions that we have, I think,
17 believe, will go a long way to overcoming the fears and the
18 concerns that the people have.

19 So I think we're very fortunate
20 that Canada has recognized the need to have an Inquiry to
21 look into these matters and determine terms and conditions
22 that should be set before a pipeline is actually built and
23 to minimize as much as possible, the experiences that the
24 people of Alaska have encountered.

25 MR. CHAIRMAN: Mr. Williams,
26 does that answer your question?

1 Mr. Eikland?

2 MR. EIKLAND: I think like these
3 guys are saying they are pro pipeline, I think what we should
4 be looking at is, let's bargain with the Federal Government.
5 I mean, we're paying way more for gas in Alberta; we're paying
6 way more for food than outside. You name it, we pay more.
7 For instance, now we've got TV in this little community here
8 -- we have to pay a thousand a year to the Federal Government
9 for it and lots of these cable TV's I heard around different
10 areas, carry Anik. They don't pay for it. I mean, why
11 should seventy people or one hundred and forty people pay
12 a thousand dollars a year for TV and this stuff that's going
13 on.

14 I suggest that we should -- what
15 we should be doing is maybe drawing up some kind of a contract
16 with the community with the Federal Government or somebody to
17 say, listen here, we want you to subsidize us on all these
18 things before we let you put that pipeline through, but in-
19 stead of saying oh yes, a pipeline, put it through, let's
20 bargain with these guys because the Federal Government just
21 comes along and tells you what to do and you jump in the
22 air. I don't know what's the matter with the people. They
23 just can't think I guess.

24 I mean, I think we should just
25 start. I'm really against that because CBC, we pay them
26 a thousand a year and I think there's lots of communities all

Mr. Eikland
Mr. Schuyler

1 over the Northwest Territories and Yukon from what I under-
2 stand. They don't pay. So I'm against it. I mean, the heck
3 with them.

4 MR. SCHUYLER: I would like to
5 get some more elaboration on the question of the land claims
6 settlement and its effects -- possible effects -- on the
7 pipeline construction and to get more elaboration on a very
8 real problem that Charlie expressed concerning the low or
9 almost nil number of natives who are employed or were employed
10 as a result of construction of the highway and the army pipe-
11 lines.

12 As he said, there are only two
13 that I know of -- native or part native people -- who are
14 employed at this time, full time. I was wondering if some
15 emphasis couldn't be put on training individuals of native
16 background for these full time jobs to perhaps alleviate some
17 of the problems that the villages are having now.

18 Has this been considered?

19 MR. CHAIRMAN: When you speak
20 of full time jobs, you mean for the operating and maintenance
21 phase after the construction program is over?

22 MR. SCHUYLER: Yes, that's right.

23 MR. CHAIRMAN: Perhaps Mr.
24 Burrell could say a little bit about the Nortran -- the
25 Northern Training Program, and just what the objectives are
26 there.

1 MR. BURRELL: First of all,
2 Nortran is a program that has been established to provide
3 training for the operating and maintenance positions, not only
4 in the pipeline but in the gas producing and gas processing
5 industry.

6 Alberta Gas Trunk Line, which is
7 one of our sponsor companies, was a founding
8 company of the Nortran concept and they have been training
9 northern people for -- since 1970. Right now, the -- as I
10 recall -- that there are about 90 per cent of the people
11 currently on the program are native and they've come pre-
12 dominantly from the Northwest Territories.

13 The reason of course, that there
14 aren't as many people from the Yukon as there is from the
15 N.W.T., is that up until about a year ago, most of the
16 emphasis on pipelining was in the N.W.T. and most of the
17 interest was shown up there and there were more people showed
18 interest and as a result of that, there were more people
19 hired into the Nortran Program. But our policy position will
20 be that we will hire Yukoners and that includes natives and
21 non-natives who are -- fall into the category of Yukoners.

22 We will be hiring them on our
23 project and giving them the training necessary to fill the
24 skill jobs and we expect that many of those jobs will be
25 -- training positions will be filled by natives. Does that --

26 MR. SCHUYLER: I'd like to

1 elaborate on that a little bit too. I think there's been a
2 failure here in the construction of this existing highway
3 and pipeline that probably everyone that lives around here is
4 sort of aware of and that is that existence of the highway has
5 brought a major portion of the native population out of the
6 bush and their traditional activities of trapping and whatever.
7 Some of them still do but a great many of them are existing
8 on grants and other forms of handouts from the Federal Govern-
9 ment which demeans, in my opinion, a man's position in his own
10 sense of the word.

11 As such, we brought them about
12 half way into our so-called Whiteman's society and we failed
13 to bring them any further. Now, you've got this camp full
14 of men down here for instance. You're talking about nine
15 hundred guys, I guess. I would like to see some kind of a
16 training program for some of the younger people to get them
17 out of the villages where they're just more or less lollygagging
18 around and causing trouble -- get them out and get them
19 trained to operate heavy equipment or whatever, if possible,
20 before this thing starts snowballing ahead, where it's too
21 late. In other words, it takes time to train well say, an
22 operator or whatever.

23 Get some of this money flowing
24 into the village so that you alleviate some of the problems.
25 Now, let me ask you, has this been considered to train equip-
26 ment operators as well as plant operators or anything like

1 this?

2 MR. BURRELL: There has been
3 some operators trained in Nortran. I think if I could just
4 comment on the Nortran Program just for a few minutes more
5 and then I could talk about the construction side which is
6 the operator side, I think, that you were referring to.

7 In a Nortran Program, people are
8 recruited into the program and we recognize that many, if not
9 all of the people, have not -- that are going into the Nortran
10 Program have not been exposed to the industrialized work
11 pattern and as part of this program, we provide an orienta-
12 tion program which informs the people to the degree that's
13 necessary, given their background, on what the job is and
14 how to adjust into the working society.

15 Nortran has supervisor counsellors
16 who are permanently employed and their main job is to be
17 assured that the trainees are not having any particular
18 difficulties and if they are having difficulties in adjustment,
19 or whatever problems may be, they then go through the super-
20 visory counsellor, who is an employee of Nortran and not an
21 employee of the company for which these people work, and their
22 problems are resolved through the supervisory counsellor who
23 acts in many cases, on their behalf with the company to over-
24 come any difficulties.

25 We found this arrangement to be
26 very satisfactory. It's worked out quite well and it does --

Mr. Burrell

1 it's something that would not normally be done for hiring
2 people in the south but it was necessary in development of
3 the program to set up such an orientation program and the
4 counselling services. I think the concerns that you're
5 talking about are in fact, covered by some of the operations
6 which are contained within the Nortran Program.

7 Now, as far as training on the
8 construction is concerned, the unions and the contractors
9 normally provide training programs for people working in
10 the construction trades and have indicated to us that they
11 will continue to do that. They have indicated to us that they
12 have some special arrangements made to enable the northern
13 residents to have an opportunity to obtain such training
14 As I was mentioning earlier, it's all part of a -- what we
15 refer to as the manpower delivery system -- what are the needs
16 that are required in order to assure northern people the best
17 opportunity to take on these jobs.

18 I might add that it's part of the
19 Nortran Program, which is basically an operating and maintenance
20 training program -- Alberta Gas Trunk Line in the last two to
21 three years I recall -- as I recall, have provided training
22 positions on construction that they're doing in their system
23 for northern people to providing them the same opportunities
24 to learn construction trades. The only difference being is
25 that the latter is on construction and the Nortran is basically
26 on O & M.

1 MR. SCHUYLER: Yeah, I'd be happy
2 to see quite a bit of emphasis on that because it is a problem
3 in all our communities. It's hung over since 1940 or what-
4 ever.

5 There's another question that
6 relates to this though. There's two parables I'd like to
7 create or however you want to put it, suppositions -- assuming
8 that this line was to go ahead before the land claims were
9 settled, would that not entail a great deal of legal wrangles
10 with the native brotherhood and other peoples concerned as to
11 how much land, how much it was worth, whether they wanted to
12 claim it or -- you know, in the negotiations themselves.

13 Wouldn't it -- let me put it this
14 way -- assume they settled the land claims before the pipeline
15 was built. That's almost a miracle, but we'll just assume
16 this -- could it not be possible then, that if the native
17 brotherhood was still opposed to a pipeline -- I assume they've
18 said they aren't if they can do it the way they want to, but
19 if they've settled the land claims, they own the land and
20 assume they probably want to claim quite a bit of the route,
21 then they could go out and charge either rental access to
22 the corporation -- follow me -- and may in fact, they could
23 prevent the building of the pipeline by implacing
24 impossible to fulfill economically, stipulations on the use
25 of their land.

26 In addition to this, assuming it's

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1 not settled, maybe they've settled it -- we'll assume. Let
2 say the Minister, that he's talking about -- goes at it and
3 grants him the permit, grants him the accesses and so on and
4 so forth, then they settle the land claims afterwards and my
5 question is this -- could not the native brotherhood then
6 deny access to the company that's building this pipeline
7 across their lands to build it? See what I mean -- this is
8 the big, in my opinion, this is the whole key to the matter,
9 where this pipeline's going to be built lays right in around
10 these land claims.

11 I'd like some elaboration on that.
12 In other words, in the event of the land claims, adjoining
13 lands owned by the native brotherhood or the natives, could
14 they not deny access?

15 MR. CHAIRMAN: I'm not quite
16 sure who to refer that question to, Mr. Van Schuyler. It's
17 a speculative question --

18 MR. SCHUYLER: Yes I know.

19 MR. CHAIRMAN: -- in a sense
20 and I rather doubt that anyone from the pipeline company has
21 a view to offer on that, although we'd be pleased to offer
22 them an opportunity to do so if they wish.

23 MR. BURRELL: That I'm afraid
24 would be a very very difficult question to comment on. There
25 are so many implications. Certainly with regard to the land
26 claims, we're not party to their negotiations. I just don't

1 know we could comment on that.

2 MR. CHAIRMAN: I'm not surprised
3 to that response. I might -- you might just say, Mr. Van
4 Schuyler, we have had a submission as you probably read or
5 heard on behalf of the Council of Yukon Indians at the
6 formal hearings. We will, when the formal hearings recommence,
7 be getting a further submission -- I understand a panel from
8 C.Y.I.

9 We've also had testimony from Dr.
10 Naysmith, the Federal Government Claims Negotiator and he
11 will be reappearing before this Inquiry when the formal
12 hearings recommence. Mr. Blair, the President of the pipeline
13 company will be appearing at the formal hearings of this
14 Inquiry and I understand will be saying something about the
15 company's position with respect to the Yukon Indian claim, so
16 we will be hearing a fair amount more about the claim.

17 I don't know if I can really be
18 of much more assistance tonight. I might just mention because
19 you speak of settlement, that the Council of Yukon Indians
20 in their submission to us, said that it's necessary to look
21 not only at settlement, but at implementation of the claim.
22 And as you heard earlier, one of the things we intend to be
23 looking at for purposes of comparison is the Alaskan situation
24 where you did have a settlement, but as I say, we will also
25 be interested in comparison purposes for how well or other-
26 wise, things seem to have worked out there in that respect.

1 MR. SCHUYLER: Right. I'd like
2 to make one statement concerning an opinion of mine as far as
3 the Council of Yukon Indians and the Brotherhood is concerned
4 and the villages that I've seen in this area, they probably
5 don't apply to anywhere else in the Yukon and that is this.

6 I think you've got two distinct groups of people in
7 these villages. I certainly consider myself -- no expert or
8 anything -- but it seems to be divided, those people who were
9 here before the pipeline was built -- the present pipeline --
10 and the present highway was built, and those people who were
11 born afterwards and know nothing and who've lived their whole
12 lives out in Whiteman's society more or less, or are in con-
13 tact with it constantly, who've never known life when there
14 was no highway.

15 It appears as though there may be
16 some considerable difference between the opinions and the
17 actions of this modern day group of well educated and active
18 group of people who are right in the forefront of Council of
19 Yukon Indians and the native Brotherhood and on this basis,
20 I would like to submit that they -- I don't think they really
21 represent a large portion of the older native population, who
22 really know what it was like to live in the bush, to live off
23 the land. Maybe they remember it in dim memories in the past
24 and they can see all the harm, the terrible things that the
25 Whiteman has brought.

26 We've also brought hospitals,

Mr. Schuyler
Mr. White

1 and all manner of other gear along with us and they say -- well,
2 in turn you can say, okay, how their tax dollars and so on
3 are being spent. Well, it occurs to me that a native Indian
4 doesn't pay any taxes. In fact, he doesn't really associate
5 or enter into our society nearly as much as I would like to
6 see him.

7 He's separated by government
8 policy, of course, that's just my opinion, but it seems that
9 he's almost regulated into a position to accept all manner
10 of grants and doles and other things which prevent him from
11 being forced into the world of the economic competition be-
12 tween one person and another in our society. As it stands
13 right now, unless the plans that the pipeline company has to
14 educate and get these people into -- involved in the operation,
15 construction and so on of this pipeline -- unless they are
16 implemented, we will continue to have the same problems we
17 have right now, the same hostilities and well, it just goes
18 on. Thank you very much.

19 MR. CHAIRMAN: Thank you Mr. Van
20 Schuyler. Yes, Mr. White?

21 MR. WHITE: I'd like to give my
22 opinion and if this pipeline goes through, I'm going to be
23 working on it, because I know if I'm not working on it, it'll
24 cost me more than I'm worth to live here. But I often wonder
25 what the native people will do, because any jobs that I see
26 them doing, it's just makework projects from the government on

Mr. White
Mr. Rosevear

1 cut-wood projects for the winter or something. I don't
2 think a lot of them would fit into a pipeline at all.

3 Mind you, there are a lot of
4 natives that I have worked with out in the bush who would be
5 very valuable to a pipeline construction, but there are a lot
6 that I think would just be sitting on the sidelines watching.
7 In my opinion, there's enough people up here, screwed up
8 on booze, without bringing pipeliners up here and pipeliners
9 are the most haywire of all construction crews there are.
10 They are really haywire -- I know -- there is none that are
11 more haywire, so I think -- I plan on living around here for
12 quite a while and I'd hate to see more people screwed up than
13 there are already.

14 Thank you.

15 MR. CHAIRMAN: Mr. Rosevear?

16 MR. ROSEVEAR: I'm speaking for
17 myself as an individual now. I must take issue with some of
18 the things that have been said in regards to the opposition
19 of a pipeline going through this country.

20 To start off with, I should say
21 that I don't imagine -- in fact, I would bet almost anything
22 that I have -- that there's not a person in this building
23 -- native or otherwise -- that hasn't got me beat hands down,
24 as far as a formal education is concerned. I started out
25 into the world seeing that some of these people are given
26 background -- I started out in the world without a mother and

1 a father. Was on my own, picked tobacco, did anything that I
2 could possibly do to eat and survive and damn it when you talk
3 about an impact, that's an impact. I've survived. Sure,
4 things, in many instances and many cases, has been tough, but
5 I think that when we begin to coddle a person, no matter who
6 he is or where he comes from, we are doing him more damage
7 than we are doing him good.

8 I'd like to speak for a minute
9 on freedom. Freedom is the most wonderful thing that any
10 man, woman, boy or girl can possibly have and the things that
11 go along hand in hand with freedom are such things as rights
12 and privileges. I would like to have somebody tell me how
13 any people can get any more rights than some of our native
14 brothers. They can go, they can come as they please. There
15 is no such a thing as international borders. They do not
16 have to pay income tax. The advantages are there if they want
17 them. I'll be quite frank with you, the people that I take
18 issue with is the leaders of these people who would like to
19 see them continue on in the same state of affairs that they
20 have, since this Alaska Highway went in.

21 I would also like to state that
22 without our Alaska Highway, there isn't a person in this
23 room that would be here today, outside of the natives. You
24 and I would not have a job. I wouldn't have one. The fellow
25 that's enjoying his job up on the hill, he wouldn't have one.

26 Now, we like the freedom of this

1 country. We like the Yukon. Sure, we like the quiet and
2 the solitude and everything that goes with it, but are we to
3 say and are we to deprive anybody else -- call them transient,
4 call them what you may -- the privilege of enjoying the same
5 opportunities that you and I have enjoyed.

6 I say that this is not my right
7 to determine this. The day that we feel that we're in a
8 position that we can take and deprive others of those oppor-
9 tunities, then we are in bad straits. A quotation comes to
10 my mind made by one Henry George and he said this,

11 "When I must have employment or suffer, then
12 that man who is my employer is my master --
13 call him what I will."

14 I'd like to go just a little
15 further on that, if I may, and say this, it is bad enough that
16 I have to keep my nose to the grindstone to satisfy my wants,
17 my habits, my desires, or whatever the case might be. But
18 when somebody else keeps my nose to the grindstone to satisfy
19 his wants and his needs and tries to hinder me in meeting my
20 needs in the wants of my family, then that's wrong, and
21 entirely wrong.

22 I believe that it is time that
23 the native brotherhood is well -- is the White people as we
24 are called -- instead of fighting against one another, should
25 be grouping together to get those needs to meet the needs and
26 to get the wants that are necessary to each and every one of

1 our survival.

2 I'd like to speak for a minute
3 on the ecology, if we're worrying about what a pipeline is
4 going to do to this country. Myself, other than Jim
5 Flumerfelt, has worked probably on a greater portion of this
6 highway than any other man that's represented here.

7 We have, during the course of our
8 operations, a job that we perform and we call that back sloping,
9 where we get out and we go into the ditches and keep the
10 brush and whatever, wherever it's possible, back so many feet
11 from the roadway. When you can go out there with a grader
12 and cut brush, flowers, everything down in a week's time,
13 look out behind you and see them blooming like they've never
14 bloomed before, then a pipeline isn't going to hurt this
15 country.

16 I would like to say in closing,
17 I have no axe to grind. If there's a land settlement and
18 if there's a method and a way to get it settled and I believe
19 that all of us should work towards getting that land settle-
20 ment settled, not just the natives, but I believe that we
21 could give them our support. It isn't just them that are
22 being held in abeyance, but it is us also who are held in
23 abeyance.

24 When it gets to a place that in
25 this country, that I dearly love and have lived my life and
26 has given me so many things, when it reaches a point where

Mr. Rosevear
Mr. Williams

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1 I, as a citizen, cannot buy one parcel of ground to call my
2 own, then there is something definitely and absolutely wrong.
3 So in closing, as I said before, let's get together instead
4 of fighting one another. Let's try to get some of these
5 things settled and become brothers like we should be, not only
6 in outward appearance, but in the heart .

7 I thank you.

8 MR. CHAIRMAN: Thank you very
9 much, Mr. Rosevear. Anyone else have an observation to make
10 or a question to ask?

11 MR. WILLIAMS: Mr. Chairman, I
12 have one more question.

13 MR. CHAIRMAN: Yes, Mr. Williams.

14 MR. WILLIAMS: I understand
15 basically, that the pipeline that is proposed is to transport
16 U.S. gas to U.S. markets. Is that right?

17 MR. CHAIRMAN: That's correct.

18 MR. WILLIAMS: All right. In the
19 future, when the market demands natural gas in Lower Canada,
20 does that mean that a pipeline will have to also be built,
21 parallel or down Mackenzie or whatever. I understand that
22 this is for U.S. gas to U.S. markets, but what's going to
23 happen when the demand is on the Canadian markets?

24 MR. CHAIRMAN: To move Canadian
25 gas?

26 MR. WILLIAMS: Right.

1 MR. CHAIRMAN: Well, perhaps
2 Mr. Burrell you could speak to that briefly, in terms of
3 what depends on further finds and what the alternative routes
4 are.

5 MR. BURRELL: We've done quite
6 an exhaustive study and it has shown that the reserves in the
7 traditional supply areas which is basically Alberta, are
8 large enough or will be large enough to meet the demands of
9 Canada -- the requirements of Canada -- through to the mid
10 1980's.

11 Now, beyond that, there is going
12 to be a need to connect frontier gas to meet the requirements
13 of growing Canadian markets. There are a number of possi-
14 bilities that are available. There's the Arctic Island
15 potential, there's been a pipeline talked about that; there's
16 been talk about LNG facilities to transport the gas from
17 the Islands down to the Montreal area. That's a possibility.

18 The other possibility is the
19 Mackenzie Delta and the possibility there is that in the
20 mid 1980's that there will be sufficient gas that the Maple
21 Leaf project, which is the project that we have proposed to
22 bring gas from the Delta to Canadian markets, could then go
23 forward. Another possibility of course, is the Dempster
24 routing and we're saying that that is a possibility. We have
25 made application for the Maple Leaf line but we have not
26 made application for the Dempster Line, but that possibility

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Mrs. Flumerfelt
Mr. Eikland

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1 does exist, so there are -- in summary, there are -- there
2 will be a need to connect frontier gas and there are a number
3 of possibilities open to take that gas to the market.

4 MR. WILLIAMS: Well, as I under-
5 stand it -- this is building additional pipelines exist then to
6 transport Canadian gas to Canadian markets?

7 MR. CHAIRMAN: Yes.

8 MRS. FLUMERFELT: I would like
9 to make a statement on the pipeline.

10 MR. CHAIRMAN: Yes, would you
11 come forward please.

12 MRS. FLUMERFELT: My name is
13 Marsha Flumerfelt. I asked a question this afternoon and
14 so far, it's all been male here tonight. There are ~~females~~
15 here and I would like to go on record as saying, I support
16 the pipeline. I would like to see it go through and I can't
17 see it making much impact really, once it's built on the line
18 or our section of the Yukon. Thank you.

19 MR. CHAIRMAN: Thank you very
20 much. Mr. Eikland?

21 MR. EIKLAND: Has anybody thought
22 about a railroad line built through here. It seems to me
23 a railroad would benefit more people than anything else, be-
24 cause you'd get cheaper -- you could haul gas cheaper up here
25 from the south and groceries and you name it. It seems to
26 me that would be more useful than a pipeline. A pipeline is

Mr. Eikland
Mr. Burrell

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1 only here for what is it -- thirty years, twenty years --
2 is what they figure.

3 MR. CHAIRMAN: Well, to answer
4 the first part of your question, we did have a couple of people
5 yesterday at Beaver Creek raise the question of what consid-
6 eration, if any, was being given to a railroad. You may have
7 noticed that there's been one or two other references recently
8 to the possibility, the report that was handed down by the
9 Hall Commission just a couple of weeks ago -- Hall Commission
10 on Grain Handling and so on.

11 It was another instance where
12 reference was made to the possibility of a railroad running
13 to the Arctic. I don't know whether Mr. Burrell wishes to
14 say anything on cost or any other aspect of that method of
15 moving gas. Mr. Burrell, is there anything you wish to say
16 on that?

17 MR. BURRELL: Just very briefly,
18 a study has -- studies have been done on moving of Arctic gas
19 to markets. The conclusions that have been reached is that
20 it's more economical to bring it by pipeline. One of the --
21 what you have to do with the railroad is to liquefy the gas
22 and in liquefying the gas, there is considerably more energy
23 used to liquefy the gas and regasify it in the market area,
24 than there would be to transport the gas by pipeline.

25 MR. CHAIRMAN: Does that answer
26 your question?

1 MR. EIKLAND: I was just thinking
2 about the long term benefit and some way that the people would
3 benefit more, you know. I think a pipeline would -- I mean,
4 a railroad would be more beneficial than a pipeline. That's
5 all.

6 MR. CHAIRMAN: Thank you for
7 your observation. I think all I can say is that we haven't
8 had much before our Inquiry to date on that possibility.

9 Does anyone else have a statement
10 or a question or observation of any kind to make?

11 Mr. Burrell, you have nothing
12 to say about those haywire fellows who work for pipeline
13 companies?

14 MR. BURRELL: I'd just like to
15 say that I don't agree with the gentleman.

16 MR. CHAIRMAN: I think then,
17 ladies and gentlemen, we'll bring proceedings to a close.
18 I would like to thank you very much indeed, those of you
19 who came out this afternoon and again this evening and those
20 who came out for the first time this evening.

21 Speaking for the Board, we found
22 your comments and your statements extremely useful. Best
23 assured that we -- when we prepare our report, we'll be doing
24 our best to convey the opinions and the sentiments that we're
25 hearing at these community hearings. Thank you once again.

26 (PROCEEDINGS ADJOURNED).



ALASKA HIGHWAY PIPELINE INQUIRY

IN THE MATTER OF AN APPLICATION BY FOOTHILLS PIPE
LINES (YUKON) LTD. TO THE MINISTER OF INDIAN AFFAIRS
AND NORTHERN DEVELOPMENT FOR A GRANT OF THOSE
INTERESTS IN THOSE AREAS OF TERRITORIAL LANDS IN THE
YUKON TERRITORY AS MAY BE NECESSARY FOR THE CONSTRUC-
TION AND OPERATION OF THE SAID NATURAL GAS PIPELINE,
AND THE WORKS AND FACILITIES CONNECTED THEREWITH AND
INCIDENTAL THERETO,

AND

IN THE MATTER OF A BOARD OF INQUIRY ON THE SOCIO-
ECONOMIC ASPECTS OF AN ALASKA HIGHWAY GAS PIPELINE.

BEFORE THE BOARD

K.M. LYSYK, Esq., Q.C., CHAIRMAN

WILLARD PHELPS, Esq., MEMBER

MRS. EDITH BOHMER, MEMBER

P R O C E E D I N G S

VOLUME 12

BURWASH LANDING, Y.T.

JUNE 1ST, 1977

COMMUNITY HEARING

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CANADIAN ARCTIC
GAS STUDY LTD.

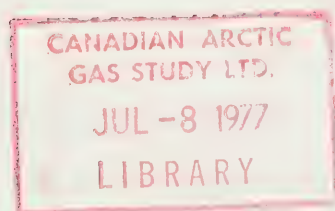
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Vol. 12



Burwash Landing,
Yukon Territory,
June 1st, 1977.

1 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT).

2 MR. CHAIRMAN: Ladies and
3 gentlemen, I would like now to open this hearing into
4 the proposed Alaska Highway pipeline.

5 Miss Lena Johnson, sitting over
6 here by the desk has kindly agreed to translate my remarks
7 as we go along, so I am going to stop after each sentence
8 or two to give here an opportunity to do that.

9 LENA JOHNSON SWORN AS INTERPRETER

10 MR. CHAIRMAN: To start off,
11 perhaps with just a few words about who we are, what our
12 job is, and how we are going about trying to do our job.

13 I will start then by saying
14 who we are. My name is Ken Lysyk, I am Chairman of this
15 Board of Inquiry, with me on the Board are Edith Bohmer,
16 and Willard Phelps, both of whom are Yukon people.

17 Over here, I won't stop to
18 give everybody's name but just to give you an idea as to
19 who all the strange faces are, perhaps I will mention that
20 over here you have some people from the newspapers, radio
21 and television. You have over there some people who will
22 be taking down notes of everything that is said at this
23 hearing.

24 Some of the other strange people
25 you see over here are some people who are helping us on the
26 Inquiry, they are on the staff of the Inquiry.

1 Also, some representatives of
2 the pipeline company who are here to answer questions that
3 you might have about what is involved with the pipeline.

4 All right, that is something
5 about who we are. Now, about what our job is.

6 As you will know the Government
7 of Canada has decided that it must make a decision about
8 whether or not to approve a pipeline to move gas from the
9 Arctic to the southern United States. Whether or not
10 to approve a loop through Canada.

11 The government has said that
12 it intends to make this decision, whether or not to approve
13 a pipeline, or if it does approve one, whether it is along
14 the Mackenzie Valley or along the Alaska Highway, that it
15 intends to make that decision by September 1st.

16 The job that has been given to
17 us, to this Inquiry, is to provide information and advice
18 to the federal government on this question. Our terms of
19 reference say that we must tell the government whatever it
20 is we are going to tell them by way of advice by the
21 first of August.

22 So sometime in August after
23 the government has got a report from us, and it already has,
24 as you know, a report from Mr. Justice Berger on the
25 Mackenzie Valley. When it looks at the other report that
26 it gets from the National Energy Board and from Environmental

1 panels that it will make a decision in principle to do
2 either, approve the Mackenzie Valley route or the Alaska
3 Highway route or say no route through Canada.

4 It is important to remember
5 that the decision about a pipeline route is a decision that
6 will be made by the government, not by this Inquiry.
7 This Inquiry will make a report and make some-- pass on
8 some information, give some advice to the government, but
9 it will be the government itself that decides what pipeline
10 route it is going to approve, if any.

11 The government says that if
12 they decide this August to approve a pipeline along the
13 Alaska Highway, then there is going to be a further
14 inquiry to deal with expert evidence about how the pipeline
15 should be built. That would happen sometime after
16 September.

17 . Maybe the most important part
18 of the job of this Inquiry is to tell the federal government
19 what we have learned about how the people of the Yukon
20 think about the proposal to build a pipeline along the
21 Alaska Highway. We are supposed to say, as a result of
22 these hearings all over the Yukon, what we have learned
23 about the attitude, the opinions of the people of Yukon to
24 this proposal.

25 So, while other things might
26 happen with the second stage, with some further inquiry,

1 now is the time that it is very important to state your
2 views about what you think would be good about such a
3 pipeline, what you think would be bad about such a pipeline,
4 because there might not be another opportunity to do that.
5 To say what you think about the proposal to build a pipeline
6 along this route.

7 We are holding hearings all
8 over the Yukon, in seventeen different communities.
9 Yesterday we were in Destruction Bay, the day before that
10 we were in Beaver Creek and before that we have hearings
11 in Whitehorse.

12 This is the fourth in a series
13 of community hearings and every place we have been so far
14 we have had a good turn out of people to come out and tell
15 us what they think about the pipeline.

16 Today we hope that we will get
17 a good feel for the opinion in Burwash Landing about the
18 proposed pipeline.

19 In a moment I am going to ask
20 anyone who is ready to come forward and make a statement,
21 or if they have a question they would like to ask from the
22 pipeline company to ask the question.

23 I introduced the members of the
24 Board and said something about who the other strangers in
25 the room are, there are a couple of people here that don't
26 need an introduction but I would just like to mention

1 Daniel Johnson, who you all know, sitting beside Miss
2 Johnson. Daniel Johnson is the head of the Council for
3 Yukon Indians, and Chief Joe Johnson, who has been very
4 helpful in making the arrangements for this hearing.

5 I just wanted to explain,
6 and would ask Miss Johnson, to pass on, we like the
7 community hearings to be as informal as possible. It is
8 important that every word that is said is written down
9 so we have a record of what was said to this Inquiry.
10 So I am going to ask anyone that has something to say to
11 come up to the microphone, either the microphones here or
12 the microphone over there to make their statement or ask
13 their question.

14 Maybe I should have mentioned
15 that in addition to the other cameras the proceedings are
16 being recorded on video tape by the people from the Council
17 for Yukon Indians. That is the reason for the bright
18 lights and the microphones. I hope that you will not
19 let them bother you, and that you just come forward and
20 say what you would like to say in the same way as you would
21 if we were sitting around in the back yard over a cup of
22 coffee.

23 Thank you very much. Mr.
24 Daniel Johnson has a statement to make.

25 DANIEL JOHNSON: Resumed.

26 MR. JOHNSON: Mr. Chairman,

1 my name is Daniel Johnson. I am from Burwash Landing, from
2 this community. I was a former chief of this community for
3 about five years. I have been asked to come up and say
4 the first words because the Chief has asked me to do it.

5 I would just like to welcome
6 you, Mr. Chairman, Mr. Phelps, Edie and all of the people
7 from the press and the people from the staff here and the
8 pipeline people who are talking about putting the pipeline
9 through here.

10 I would like to welcome you all
11 to Burwash Landing, to the Kluane Lake country. It is
12 kind of unfortunate today is cloudy, the clouds are sitting
13 down about half way down on the mountains and you can't see
14 the full beauty of this area.

15 The Indian people around here
16 pride ourselves in being people who come from this land,
17 right around here around Burwash Landing and through those
18 mountains back that way to Aishihik, through those
19 mountains up that way to Copper Creek and Lynx City and
20 through those mountains back there to Copper River. I
21 think that is where we all come from, those areas.

22 We who live here now, all of
23 our people, this is our country right here starting at
24 Burwash Landing and all this land around here from--
25 back here around Halfbreed Creek, all the way up the
26 highway, pretty close to Beaver Creek, down the other

1 side back down to here and back through the B ig Arm
2 through the Little Arm back here and through the Big Arm to
3 Ptarmigan Heart . That is our country.

4 It is ours because we were born
5 and raised in it and because God give us this country.
6 We don't -- you know, we don't like to think that people,
7 some people can come in here and take away our land. We
8 don't think people should come in here and build pipelines
9 just because they feel like building pipelines because of
10 New York money and the oil people and the automobile
11 people want to freight gas, express gas through our country.

12 I would like to, welcome all of
13 you people here and even though this hearing has been sprung
14 on us very quickly I know that our people can tell you what
15 we think about the land. Maybe we won't be able to tell
16 you too much about the pipeline because we aren't very
17 smart about pipelines. A lot of us never went to school,
18 a lot of us never had a very much whiteman education.
19 Just the same we have had Indian education and our education
20 is living on the land, harvesting the land of moose, sheep,
21 gophers and rabbits, harvesting the lakes for all the
22 different kinds of fish we have in this country and using the
23 trees to keep us warm and to keep us in a house, in shelter.
24 That is our education, that is
25 Indian education. If all the white people in the Yukon
26 were to pack up their grips and move south, the Indian people

1 who have been here before, will still be here and we can
2 still live here. We don't need cars. We don't need gas.
3 We don't need electric lights. We don't need whiteman's
4 food, white bread and butter. Because we have one
5 thing, Indian education. Our people know how to live on
6 the land because we think about the land differently. That
7 is the way our people taught us to think about the land.
8 The land is alive, the land is not dead, the ground is not
9 dead, rocks aren't dead, sand, because it can grow things.

10 If the ground can grow plants,
11 if the ground can feed the moose and the sheep and the caribou,
12 the rabbits, the gophers, it can't be dead. It has got to
13 be alive. So the ground to us is something that we feel
14 we have to look after for the ground to look after us.

15 It is like money in the bank.
16 Our economy, the Indian economy, is based on what they call
17 renewable resources, all the things that come back all the
18 time. It is like moose. The moose always come back.
19 The trees always grow back. The fish, every fall they
20 spawn across the lake here, they always come back. It is
21 like money in the bank and you are getting interest on it.
22 It is always coming back.

23 Somethines I can't figure out
24 white people and about the way they treat the earth, about
25 they way they treat energy, this oil and gas, it is just
26 coming out one way all the time. It take millions of years

1 for that gas and that oil to be made. It is just coming
2 out one way and it is just being burned up. All the millions
3 of cars and homes being heated by natural gas, and homes
4 being heated by oil, all that is coming out one way, one
5 way, one way. What does it turn into? It just turns
6 into smoke and it is going up into the air and makes the
7 air stink.

8 In some places people die from
9 breathing that smoke, their lungs get all rotten.

10 I think the modern civilization
11 this, like the western society and European society are
12 going to have to learn to understand that you can't just
13 keep using the earth like a parasite, you can't just keep
14 bleeding it, bleeding it, bleeding it and then expect it
15 to help you in the end. It is going to turn around on
16 you. It is going to turn around on you and it is going
17 to be too late. Instead of looking at non-renewable
18 resources, instead of relying so heavily on it, and the
19 reason I am sure that that happens that people feel they
20 need that eneregy, they are afraid they are going to die
21 without it. There have been people that died without it
22 last winter too. A lot of people had a hard time because
23 they were out of jobs, b ecause they were cold in their
24 homes because they never had any insulation and they had
25 no fuel, no fire, had no clothes, cars go stuck, they
26 didn't know what to do. They didn't know anything about

1 winter. Sure that happens to some people, but I am
2 sure why it happens, is because we are talking about big
3 money. We are talking about the oil companies. We are
4 talking about the man who they almost tried to put in as
5 the Vice President of the United States, Rockefeller.

6 They had these hearing about
7 him, this Rockefeller and they found about about Rockefeller
8 and how much money and how much oil he controlled, how
9 much energy he controlled. They found out and they
10 wouldn't -- they said you already got all the gas and
11 oil, you know you can't have the United States, you can't
12 have the world.

13 Rockefeller, New York money.
14 The car companies, General Motors, Ford Motors, American
15 Motors, we are just talking about North America, right here.
16 They are the ones that create the demand. They create
17 that demand, they make people feel that they are going to
18 run out of gas tomorrow so people start getting scared.
19 Those people in the United States they don't care about
20 the Indians in Burwash Landing, I bet you. They are
21 talking about their own homes, I mean, they are talking
22 about next winter. I don't think they know that they are
23 being manipulated. I don't think they know that the
24 strings are being attached to them every day.

25 So those people, they are the
26 ones that people try to tell you they need that gas.

1 They don't need it. There is gas in the lower United
2 States. There is lots of gas in Alberta. That gas that
3 is in -- it is in Alaska. They are talking about putting
4 Alaska gas through Indian land, through Burwash Landing,
5 through Haines Junction, through Beaver Creek, Indian
6 land. That is American gas, none of it is going to come
7 here.

8 I figure if Americans want
9 their gas, and they want it bad enough, they will develop
10 their own technology, they will work on their own brains
11 to figure out a way to get that gas from the north slope
12 in Alaska down to the United States where they need it.

13 I said a few things and what
14 I would like to do now Mr. Chairman, is I would like to
15 talk again later, but I want other people to have a chance.

16 MR. CHAIRMAN: Thank you
17 very much for that statement, Mr. Johnson. We will look
18 forward to hearing from you later in the day.

19
20 May I ask that
21 anyone. I am going to ask for the purposes of the record
22 to get your name on the record.

23 MS. JACQUOT: You hear
24 Albert Isaac, grandma, she told us that -- right now
25 everything, everybody is surprised, you know, spring
26 coming, pretty soon a big north wind come, all the snow

1 cruel winter that time. Lots of Indians died that
2 time, they're so hungry. You've got just bow and
3 arrow, no gun. Just bow and arrow. Roots, you
4 know, down deep those roots, that's where they do
5 the digging. They eat that one, they try to make them
6 shoot -- soon winter come, that time. They told the
7 Indian, Old Bert, who's here, Old Bert - my sister and
8 I were, we told him, remember two years, that old lady,
9 she told us who talked. Yes, he told us. Yes, he did.
10 Even outside there, they plant old garden and they have
11 to seed those potatoes. You have to eat them again. Now
12 how you can those Indians live? And who whiteman -- no
13 whiteman that time. Nothing. Rocks, that they pound
14 them like that and if something is there they make them
15 pound them like that - some friend come in there, they
16 get the fire. That's where they live and pretty soon
17 they make them stick like that and they make them do
18 like that and make them hot, you know, and they turn like
19 that, everything started to get hot and pretty soon they
20 threw them in there -- You know, and from the tree
21 there you see there's something like that, you dry it
22 out and they swing it so that lady in, Albert Isaac,
23 the grandma, she told us, she told us, she said, just
24 about this time now, she said big north wind turn, you
25 know, it turns and pretty soon the river comes and goes in
26 those lakes in there. All froze up with it.

1 I'm going to talk about pipeline,
2 too, but I want to tell them that Grandma, soon winter come,
3 huh? Well, where you going to get it? You're not going to
4 go cafe, in that? How you hear how it froze everything.
5 Land and there are no fish nets, they make with sinew by
6 moose, maybe that long, I guess and pretty soon everything
7 froze and you can't do nothing, you've got no axe, you've
8 got those rocks, you know, to make them axe, things like that,
9 the sheep horns, moose leg, all those kinds of stuff.

10
11 Soon the winter come back again,
12 but my old people on the lake have gone. So that Albert
13 Isaac, grandpa, his grandma Isaac told him, you go back in
14 there for, tree squirrel ^{nests}, you know. He said, do you want
15 to see squirrel, tree squirrel and ^{and arrow} bow /that time, no gun.
16 He went in there for that tree squirrel come out from the
17 den and pretty soon he hear something coming. He hear some-
18 thing coming and he looked - there's a moose coming up and
19 he look at that big nest. He don't know that men cutting
20 down that and he look up there and then the moose, he just
21 came up for that nest, so hit him with a bow and arrow and
22 hit him twice so that moose there, he knows something wrong
23 and he started run in lake. He just go little ways in it.
24 That moose he fell down. He not strong enough he cut that
25 moose, then he started walk up there, the moose, right there.
26 He got right in there, he got his wife and they burn that

1 work site, and burn him up. Copper Chief, that's my grandpa
2 down there, Copper Chief, you know, living at White River
3 then. My grandpa's country there, he got a knife in there,
4 he pound him with a rock and then he go down there Selkirk.
5 He sold it, he sold those for copper. That's why they call
6 him Copper Chief. That's my grandpa, Copper Chief. He
7 come down there and he make them nice and then he go down
8 Selkirk. He comes from Selkirk, he was a Selkirk
9 Where he sold all them knives down there, copper. He got a
10 little axe and you go the museum, you don't go in the museum
11 there. You been there? And that little axe like that, that's
12 where it come from.

13 LENA JOHNSON: She said that
14 some copper in the museum that came from Whitehorse.

15 MARY JOHNSON: Yes.

16 LENA JOHNSON: From her grand-
17 parents.

18 MARY JACQUOT: And bow, bow and
19 everything. That's where they live. Now white man grow up,
20 where white man? He just lives on his great need, long time
21 ago, Indian. Won't chew tobacco, no drink, nothing. He
22 got clean, clean everything, that came long time ago, eh?

23 July,
24 you got a snare. You cut the snares for the moose. So they
25 cut the snare and they cut the moose to feed everyone.
26 Sheep, sheep snares, everything. Lynx snare, gopher snare,

1 wolf snare, lynx snare, yes, they make a string pole in there
2 and, just as I told one fellow, you go in there and you got
3 a, you got the pole, you know, well, it's just about that
4 far, I guess, you set a snare in there that spring, where
5 you go like that to catch the wolf, everything. How you
6 think a long time ago Indian live? You know, this kind of
7 clothes, you just have the wild animals. Sheep skin and
8 everything, gopher skins, they make their clothes themselves.
9 There is nothing, no other kind.

10 I remember my grandma, he was
11 trying to bring to her, you know, ah, I don't like that kind
12 of thing, she liked moose. And they bring a stove in there,
13 they live by a campfire all their life. They, they don't
14 like that thing, take it away, she said. I remember my
15 grandma, she don't like, this thing, she don't like it. So
16 one of these furs, them gopher skins, they make skin hides,
17 you know. Everything made mukluks, get out of here she said,
18 I don't like that thing there, she said.

19 They live by fur, fur beds, you
20 know, everything just like a mattress - everything. And
21 they got the tender skin for those sheep skin, all those
22 make a bed, some pretty warm, pretty warm these are.

23 You got no tea, just live by
24 soup and water. Bark, you know - birch bark, you know.
25 They make them pots like that. They make them pots and they
26 cook with that big- you tell them what it is, with the roots

They get them real hot, they get the rocks and they heat them up, the rocks, and pound everything in there, you put them inside a pot in there. They throw the rocks in there, well, that make them cook. Rocks started boiling inside that thing there - it take a long time, huh, before you heat them off the rock? You throw them inside the bark but they make them that big.

I remember they have to soak the skin in there, too. Well, that's when they started boiling there, they turned around, no salt in there, nothing, just straight meat. No white man grub that time. Nothing. No white man grub there.

My sister in there, my dad, they don't like to carry their own salt. They say, you dirty thing, they say. I don't want it. Get out from me that salt in there and my dad, go on, throw it away, he says. I don't want no salt, he said. He never use no sugar at that time, nothing. He lived straight meat with his soup. They picked some berries and salt out in the bush. Cranberry, blueberry, blackberry, everything. He tells that, he tells that some saved for winter.

How Indian live. When did white man come this country, you know? Alaska outside first time the white man come down there. Alaska and down there. Only

1 when the white man lived here the white man in there.

2 He come down there, just
3 started fight. He took older woman away from her husband so
4 he got mad, so they started fight. He told him to go back
5 before Indian killing you off. So they went back, they went
6 back and left outside. They went back. Then they - Old
7 Allen, you know Old Allen, his grandma, Old Allen's grandma.
8 She make a song for those white men come that time. Some-
9 body never know. She say what are you doing to us? Go back,
10 make them go to town. So they went back. Then after that
11 nobody know a white man. Some reason white man come over
12 there, what is his name, that, the, it from the government's,
13 government's, he come called with a raft, over there. He
14 make him big raft, from government, his name, I don't....
15 He come cross over here this side. He go back and back and
16 forth, finally he come this side. He see the land over
17 there, but, he got no, he got nowhere to bring in that. He
18 go back, sulking, and go back. Take him back and finally he
19 got in there. And those people in there, they kill/Indian,
20 they do. On the land over there.

21 How much water you got, anyway? Five years they go back
22 across, you should have had lots of water. Then they make
23 that the sailboat, you know, and that, the sailboat and they
24 just go one way. You know what I mean? A bunch of sails
25 in there. They make it to go over there. Well, that one
26 he want to see that place where they land. How to come in

1 here this side. This Indian there, you can ask him some
2 kind of question, we know something, but we don't say nothing.
3 White man he say that we don't know nothing. You ask my old
4 man. I ask my old man, I say, that man McPherson he come in
5 here, he told me, Louis Jacquot, that's my husband. So he
6 stay up there now. Up here in Burwash. He go down fifty
7 feet, he said. He go down fifty feet and you'd find the
8 sheep hide down there. Fifty feet down, eh? And I asked
9 him, I asked him after that, I say, how come you found the
10 sheep head there a horn? Well, you see that time
11 the water was flood. Water was flat clay coming down this
12 way. He bury everything.

13 And Little Shorty, over there,
14 by that the Bear Creek, that long hill, you know, that, the
15 mountain. He found there some kind of rotten raft there.
16 When this water was flood and those Indian natives go over
17 there and crawl on that raft. Some time we might get the
18 other one again.

19 Here is my old man up there, I
20 think. How come you go you fifty feet down in the ground,
21 where you found that moose horn at all? I don't know. You
22 know one time you say the water coming down this way, he say,
23 and everything was flood?

24 That Little Shorty over here,
25 there, Bear Creek, right on top the mountain there he found
26 this. Found a raft.

1 INTERPRETER: I just told her it
2 must be boring, sitting here a long time.

3 MARY JACQUOT: I like to told
4 them some old story, huh? Something you go back and then you
5 hear about me, what I've said.

6 MR. CHAIRMAN: It's not at all
7 boring, Mrs. Jacquot, we're just wondering whether to take,
8 some time soon we want to take a five minute coffee break
9 and we were just wondering whether you preferred to continue
10 until you finish your statement and then we take the coffee
11 break, or whether you would rather us take a break now and
12 then speak afterwards? Maybe you'd - it's up to you if you'd
13 like to continue and then we'll have coffee after you're
14 finished.

15 Okay, I'm going to suggest a very
16 short , for just about a five minute, long enough for people
17 to fill their coffee cups, because we have quite a long way
18 to go.

19 Thanks, we'll adjourn for five
20 minutes then.

21

22 ADJOURNED

23

24

25

26

1 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

2 MR. CHAIRMAN: Ladies and gentle-
3 men, I wonder if we might recommence the hearing?

4 I should say, just before we
5 start up, that we have to adjourn today's hearing about
6 2:00. It might well be that we don't finish hearing from
7 everyone who has something to say, in which case we'll be
8 coming back to Burwash Landing, trying to give you as much
9 advance notice as possible as to what the hearing date will
10 be for the continuation of the hearing.

11 Now, at the coffee break, Mrs.
12 Jacquot, I think, hadn't completed her statement. Do you
13 know if she's going to be coming back later?

14 MR. DANIEL JOHNSON: She said
15 it's okay, just go on with the different witnesses.

16 MR. CHAIRMAN: All right, and I
17 see we have Chief Joe Johnson prepared to give a statement.

18 CHIEF JOE JOHNSON: SWORN

19 CHIEF JOHNSON: Yes, my name is
20 Joe Johnson. I've lived here all my life and I'm the Chief
21 of Burwash.

22 To start of with, I'd like to
23 get the Foothills Pipe Line to come up to the map and show
24 us where the camp is going to be and maybe ask him a few
25 questions.

26 MR. CHAIRMAN: Absolutely, would

1 you be willing, Mr. Burrell, at this point, to say a little
2 bit about that?

3 MR. BURRELL: This map is
4 probably quite difficult to see from the back of the room,
5 but, the map that we've put here is a map of the routing
6 through the Yukon. It's 512 miles long, within the Yukon,
7 and it connects, in Alaska, with the pipeline coming along
8 the Alaska Highway in Alaska and connects in British Columbia
9 with a line which goes through British Columbia.

10 Burwash Landing is here on the
11 map. The section of pipeline which will be constructed in
12 the area of Burwash Landing will be in the winter of 1980 and
13 in the summer of 1979. The camp, the closest camp to Burwash
14 will be 25 miles north, towards Beaver Creek. The closest
15 compressor station will be approximately seven miles to the
16 south, towards Destruction Bay. The pipeline itself will be
17 approximately a mile and a half, on the other side of the
18 road, but a mile and a half from Burwash.

19 The construction camps will
20 house approximately 750 to 800 people. The winter section,
21 which is a section actually north of Burwash, that will be
22 constructed between January and March of 1980. The section
23 south of Burwash will be constructed in, as I said, in the
24 summer of '79, and there, it'll be constructed between May
25 and September.

26 The peak manpower requirements

1 for the pipeline will occur in 1980. There'll be 2,300 esti-
2 mated requirements along the pipeline routing for construc-
3 tion. Even though construction will take three years, '79,
4 '80, and '81, the construction within the Burwash area will
5 be in the winter of 1980 and the summer of 1979. Other
6 sections will be built at other times.

7 About 60 per cent of the jobs
8 which are, of those 2,300 peak, or 60 per cent of the jobs
9 on construction, can be filled by people who have not had
10 previous pipeline experience. In the Operating and Mainte-
11 nance phase, we will, we estimate that we will be employing
12 about 190 people in the Yukon in total. We will have five
13 area offices: one in Beaver Creek, one in Haines Junction,
14 one in Teslin, one in Watson Lake and one in Whitehorse.
15 We'll also have our head office, or we plan to have our oper-
16 ating head office in Whitehorse and we estimate about 100
17 people in Whitehorse and 22 in the other communities.

18 About half of those jobs are -
19 we have concluded that about half of those jobs can be filled
20 by people who do not have previous pipeline experience.
21 Alberta Gas Trunk Line, which is one of our sponsor companies,
22 have a training program, or part of a training program,
23 which we are, too, with other companies, for training peo-
24 ple in the Operating and Maintenance phase. It's called the
25 Nortran Program and it's been going for about seven years
26 now and native people have been taken down to the facilities

1 in Alberta and given on-the-job skill training, and over
2 the seven year period, some have become welders, some have
3 been technicians, operators and so on.

4 Alberta Gas Trunk Line has about
5 twenty-five northerns on the Nortran Program now, training
6 people in pipeline operations. Trans Canada has another
7 twenty, and then Gulf and Shell and Imperial have also train-
8 ees and the total number of trainees, northern trainees, on
9 the Nortran Program presently is about 120.

10 If we do receive approval to
11 build the pipeline, we have commitments from Alberta Gas
12 Trunk Line and West Coast, who are two sponsor companies,
13 that they will expand the Nortran Program to enable Yukoners
14 to gain the necessary skills prior to the building of the
15 pipeline to enable them to come back and work on the pipe-
16 line in the Operating and Maintenance phase, which is the
17 long-term employment.

18 As far as training is concerned,
19 with regard to the construction phase, the contractors and
20 union people normally conduct training programs to up-grade
21 skills in the trades necessary to build a pipeline, and we've
22 had discussions with them and they've assured us that they
23 will continue to do that and have, in fact, had some training
24 programs for northerns.

25 In addition to the Nortran Pro-
26 gram training Operation and Maintenance people, Alberta Gas

1 Trunk Line, over the last two or three years, have also
2 given northerners training on construction spreads, too, to
3 gain some experience in those skills.

4 One other thing I would like
5 to add is that we are proposing a natural gas pipeline. It
6 will transport natural gas, which is a vapor, just like air,
7 it's not like oil or gasoline. Natural gas is actually light-
8 er than air so that if there were a line break, the gas
9 would rise into the air, rather than spilling on the ground
10 like oil or gas would--- gasoline, I'm sorry.

11 Perhaps that's - is there any-
12 thing else that I should touch on?

13 CHIEF JOHNSON: How much study
14 did the Foothills Pipe Line give to permafrost prior to this
15 pipeline that they're putting in now?

16 MR. BURRELL: There has been
17 considerable study done with regard to permafrost. Alberta
18 Gas Trunk Line, back in 1969, had formed a company called
19 the Gas Artic Systems, and they studied at that time the
20 movement of gas from Prudhoe Bay to markets in the United
21 States and also the movement of gas in the Mackenzie Delta.
22 They have been studying the laying of pipeline in permafrost,
23 plus other things, since that period of time. In addition
24 to that, we were, at one time, part of the Canadian Artic
25 Gas Consortium and have access to the studies which were done
26 by that group, up until, I believe, 1975. So we have that

1 information.

2 So, there has been a considerable
3 amount of work done on the studying of installing a pipeline
4 in permafrost. In addition, one of our sponsor companies,
5 West Coast Transmission, has built pipelines in northern
6 British Columbia and the Yukon, and into the N.W.T., to
7 Pointed Mountain, and they have encountered permafrost and
8 they have actual pipeline experience with respect to the
9 installation in permafrost.

10 CHIEF JOHNSON: Thank you.

11 I've lived here most of my life
12 and I'll start off with the impact of - the pipeline will
13 bring to our people. The Indian people here haven't got
14 over their impact of the Alaska Highway. The impact of the
15 Alaska Highway, before the Alaska Highway came through this
16 country, there was no government system that, to tell you
17 what to do like what they're doing today. There was no
18 Indian Affairs and there was even hardly white people in
19 this country and we're just starting off now. At the village
20 level I think we have a lot of, we have a lot of programs
21 going now that we're just starting off, trying to make our
22 people what they were before the comings of the white man.
23 As more and more white man came into this country, they
24 brought along with them liquor, and they brought along with
25 them Indian Affairs, too. That's where, I think, the govern-
26 ment was sticking their nose where it didn't belong.

1 And then they started sending our kids to school in far away
2 places where they're gone ten months a year. And actually,
3 it wasn't the parents that were bringing up the kids, it
4 was the school system. And those schools, there was no
5 Indian culture taught or history, because the Indian way of
6 having history is the old people, handing down history.
7 It's not written. Like all the old people you see around
8 here, they're our history books and what they tell us is
9 what we handed down to our kids. And that was taken away
10 through the school system. When our kids came back to the
11 villages, they couldn't speak their own tongue. I went to
12 that school system, I know how it is. I'm one of the few
13 lucky ones that I can speak my tongue.

14 And the Indian people were caught
15 right in the middle. They thought the white man was so
16 super that they're doing everything their own way. They
17 didn't know whether they were Indian or white man. See how
18 the white man drives around in a big, flashy car, Indians
19 still walking. And they say, well, we want to try and make
20 like a white man. They're trying to be like a white man,
21 they can't be a white man.

22 And, prior to their teaching
23 from the white people, they can't go back to the bush and
24 do what they want, so they drop out of school, grade eight,
25 nine, ten, eleven and twelve. Right now, this pipe-
26 line here is going to effect our - what we've gained in our

1 last few years, trying to get our culture back. And the
2 impact of the people that will be coming to this country,
3 that's only one side of the story we heard, that was from
4 Foothills Pipe Line.

5 Tomorrow the Environment will be
6 coming here, to this Community Hall. They will tell us all
7 the bad part of the pipeline. I think we didn't have enough
8 time to consider the pipeline with the government trying to
9 push on one side their way, I guess. I believe CYI asked
10 for money last fall, trying to do some research on it and
11 I just don't exactly know, just a few months ago, that they
12 did get this money and they say the Inquiry's going to start.

13 What the pipeline will do to us
14 is what little we've gained it will destroy to make our
15 people go back to their cultures and their Indian ways. We
16 like to teach this in our school and maybe Levesque is right,
17 too. If he don't break away from Canada, he might lose his
18 culture.

19 We had a little problem at 1016,
20 not too long ago. I don't think it's a problem, I think
21 it's the people that are in there, trying to run over the
22 Indian people. I quote what Gillespie said here a few months
23 back about the pipeline. "In as recent as two years ago,
24 the Canadian government was advised in the U.S. Congress that
25 Indian rights would not be a major stumbling block, or even
26 a concern in the construction of a pipeline. All true

Chief Johnson

1 such have stopped Energy Minister Gillespie halt
2 before defogged the issue last month when he gave assurance
3 in a Toronto speech, just before going going to meet with a
4 U.S. counterpart, that a pipeline would not be held up for
5 land claims.

6 It seems to me this Mr. Gillespie,
7 if he doesn't recognize the Indian rights, what Hitler did
8 back to the Jews, back in the 1940's, he went about it a
9 different way. We have people like that representing people
10 as Ministers, saying that they will have no rights as an
11 Indian. I think Mr. Gillespie is just saying, we'll get rid
12 of the Indians, but a different way. We won't let them take
13 no part in this pipeline, which I don't think is right.

14 This whole Yukon belonged to the
15 Indians at one time. Every square inch of it. It reminds
16 me of a person having a big house. He invite his white
17 brothers to come in and share with him and the white brothers
18 went back out and got more white brothers and pretty soon
19 the house is crowded. And they tell the Indian friend, well,
20 you move out, we'll build you a little shack out back. We're
21 going to keep this house. They gradually took over the house.
22 That's what happened in the Yukon. The white people came
23 here and gradually took over the Yukon. And then they tell
24 the Indians how to run their ground.

25 If the pipeline come down here,
26 it will have a lot of impact. I think some of these

Chief Johnson

1 Communities don't realize the impact that a pipeline will
2 do to them. They will be influx of people. If they don't
3 hire them in Edmonton, they don't hire them in Vancouver,
4 well, they say, let's hitch hike up the Yukon. There's a
5 lot of them hitch-hiking up here in the summer anyway. What
6 they hear in Edmonton, they say there's a lot of jobs in the
7 Yukon. Even now, you probably see them. What would it be
8 like if they brought in the pipeline?

9 The pipelines themselves are
10 going to bring in somewhere around 2,000 people. And what
11 the pipeline - they're not counting the people who are going
12 to follow that pipeline. They - when all this influx of
13 people come in here, they have - there have got to be ways
14 of feeding these people and that means more people are going
15 to get hit over the head, because these people have got to
16 eat. They can't eat gravel or grass. That means they have
17 to put up their law enforcement. That means they have to
18 staff up on their nurse - nursing stations. Maybe the pipe-
19 line people, 2,000 people ain't many, but there'll be about
20 5, 6, 7, 8, 9,000 people coming up here looking for the jobs,
21 just hoping to Christ that they get a job. But these people
22 are going to be mostly in Whitehorse, up and down the highway,
23 going to each camp and trying to get a job.

24 That also means the price of
25 groceries will go up. And hotel rooms. When I talked to
26 Foothills Pipe Line, they assured us that, they said, well,

1 We'll deal through these local business people, not the
2 outsiders, but how right is this?

3 I think the only outfit big
4 enough to look after the grocery part of it is Kelly Douglas,
5 at an office in Whitehorse, but Kelly Douglas also have
6 offices all over. When you start ordering everything by the
7 truckloads, there's no telling--- nobody's going to
8 handle that big a business and they're not going to order
9 that big a business unless it is written in a contract. And
10 that Foothills says, okay, then, we'll give you gas. We'll
11 give Destruction Bay gas. We'll give Junction gas. To my
12 way of thinking, once they get a hold of the contract paper,
13 they'll say, it will cost too much. Destruction Bay is not
14 going to pay off. Burwash is not going to pay off. So that
15 leaves just Whitehorse will put gas and it might pay off.

16 If we have this all in writing
17 from Foothills, if they do get that contract will be another
18 thing. They can run it anyway they want, once they get a
19 hold of that contract.

20 And the Land Claims - I'd like
21 to see the Land Claims Settlement before the pipeline ever
22 comes through this country. It means a lot to us, to have
23 this Land Claims settlement. I think that both the white,
24 as a whole in the Yukon, will benefit from this Land Claims
25 settlement.

26 Another thing is the Game Laws.

1 If the Game Laws aren't changed, the game will be gone. Yes-
2 terday I went to that meeting at - to listen in at 1083,
3 I heard the same question asked. What is a Yukoner? What
4 is a Yukoner? How it stands now it's a year to become a
5 Yukoner. That means if the Game Laws ain't changed, - is
6 it six months to get your licence to be in the Yukon? Does
7 anybody know?

8 A VOICE: Yes, it's six months.

9 CHIEF JOHNSON: If the Game
10 Laws aren't changed, just the pipeline alone will bring in
11 2,000 hunters, say none of them, well, 1,500 and they're
12 talking about paving the Alaska Highway. And they're talk-
13 ing about building an aluminum plant in Whitehorse. And
14 they're talking about the dam. How many hunters are there
15 going to go out killing game? Have this game law changed.

16 What I would like to see what
17 you call a Yukoner, even to vote, I'd like to see them in
18 the Yukon for ten years. That means even our elected members,
19 Territorial Council, have got to be in this country for at
20 least ten years before they get voted into that office.

21 Why I'm saying this is, a guy
22 can come in from outside, never been to the Yukon, never
23 dealt with both white and the Indian people. Probably never
24 even seen an Indian guy. And there's twelve councillors in
25 the Yukon Territorial. If they had an election, what would
26 happen? If twelve of these members got in, that they stayed

1 in the Yukon one year and never seen an Indian? And then,
2 Warren Allmand will say, well, Mr. Commissioner, you're not
3 doing a good job, so he kicks the Commissioners out. And
4 they stick somebody here just by appointment, that have
5 never been to the Yukon. They've got the power to do that.
6 And you've got twelve people sitting there and the Commis-
7 sion to boot, that doesn't know how to - maybe they never
8 ran a country. They're sitting there running your affairs
9 for you. That's why I say ten years is very important, that
10 people stay in this country.

11 And I've heard also that most
12 of the evidence given at 1083 yesterday was by the business
13 people. They're going to benefit from this pipeline. Maybe
14 not for too many years, but they're going to make money on
15 it. It seems like in a white man way of living, that the
16 money is the most important thing. They don't think about
17 their land. And, I heard them speak and they say they're
18 all for the pipeline. Those people are saying that they're
19 for the pipeline, don't have to live here with the pipeline.
20 When they retire, they all go south. I don't think nobody
21 in this room can tell me which white man came up here to
22 stay. Is there anybody?

23
24
25
26

1 And about the pipe coming through
2 this country, I don't see where the Canadian people are
3 benefiting from it one way or the other. There's a lot of
4 things I don't understand. For one, who's going to get
5 all that money? The Territorial Government's going to get
6 a little bit, or is the federal government going to get all
7 of it?

8 It's the impact that I'm really
9 scared of. About the Game Laws, got to be changed. You
10 can't give those guys, after they've been here, according
11 to the Foothills, say they'll be here three years. So it
12 means that most of these people are, come the first year,
13 all they need to do is wait one year and then they get their
14 licence. If they've got a licence they can kill a moose.
15 I think mostly - I don't know what they'll do with the meat,
16 if they're staying in camp, with their families outside.
17 It's too expensive to ship that meat out by plane. They're
18 not going to hire a truck to haul it out.

19 What I'd really like to know is
20 who's going to foot the bill for the RCMP? It's got to be
21 staffed up, you can't go around it. They've got to staff
22 up the nursing stations, the schools, because those influx
23 people that comes into this country, some of them will be
24 brining their families. Will it be like Alaska, where you
25 go in shifts?

26 And another really thing is that

1 Foothills, or any other pipeline, don't actually know how
2 to deal with permafrost. Maybe they experiment on it, but
3 how long a term do they experiment on it?

4 I want to ask one question. Who is
5 going to foot this bill for RCMP and nursing and ? I heard
6 Foothills though yesterday, that they're going to have their
7 own police up their camps. What will these policemen doing?
8 Are they going to keep them guys locked up? I don't think
9 so. They say they're going to bus them out to their camps.
10 Well, I've been in pretty big camps myself when I was log-
11 ging. We worked seven days a week, but I always found time
12 to go back - we were 150 miles away from camps and the main
13 town sometimes, but we always found a way to get to that
14 town and back.

15 Is there anything written up on
16 Sundays, do they have to work on Sundays? I don't know,
17 is that a Foothill law or not? I don't think anybody - I
18 don't think you can force anybody to work on Sunday. I don't
19 think you can find anybody on Sunday, that's their day to
20 go to church or wherever they want to do. So how are you
21 going to keep those people in camp? I don't think there's
22 no contract written up that can say you have to work on Sun-
23 day.

24 That's about all I have to say
25 for now on it, but if I think of any more, I'd like to come
26 back and speak more on it.

1 Thank you.

2 MR. CHAIRMAN: Thank you, Chief
3 Johnson, for that very thoughtful statement.

4 Before asking Mr. Burrell if
5 he'd try to like to try and respond to those questions you
6 raised on behalf of the pipeline company, let me say this,
7 because I don't think I did at the beginning of the proceed-
8 ings today, that beyond looking for opinions about, you
9 know, whether people think a pipeline is a good thing or
10 a bad thing, we also very much welcome specific suggestions
11 about how certain problems could be met, if there is going
12 to be a pipeline. For example, I was very interested about
13 what you said about the definition of a Yukoner and what the
14 problems might be if the Game Law isn't changed, and whether
15 the period of residency might be ten years or some other
16 period. But that's the kind of specific suggestions that is
17 very helpful and that we would expect to be paying close atten-
18 tion to when we consider what is going to be contained in
19 our report.

20 A couple of the other problems
21 that mentioned about what can be written in a contract and
22 who's going to see that some of these things that have to
23 be done are going to be done. Who carries the responsibility.
24 When we wound up the first phase of the formal hearings, in
25 Whitehorse, a week and a half ago, whenever it was, one of
26 the things that the Board said they'd like to hear more about

1 is what kind of regulatory body might be put in place to
2 make sure that certain things were going to be done, if,
3 once again, if there's going to be a pipeline, because, as
4 you know, sometimes, what's everybody's responsibility, is
5 nobody's responsibility. One has to ask the question, who's
6 going to see that there's going to be enough police in place
7 and enough medical services you mentioned, and who's going
8 to see about gas service to the communities, and so on.

9 So, I just, my short point there
10 is that we very much welcome hearing not only about some of
11 the problems, but if you have a thought or two about how
12 some of those problems could be met, then we'd very much
13 like to hear about that as well.

14 Now, you mentioned a number of
15 things, Chief Johnson, I note you said something about the
16 problem of people flooding into the Yukon to look for jobs.
17 You said something about the problems of inflation, prices
18 going up and so on. I think, in a general way, I'll just
19 ask if Mr. Burrell, from the pipeline company, has anything
20 he wishes to say about any of the matters you raised.

21 MR. BURRELL: Yes, the Chief
22 raised a number of concerns, I think very valid concerns
23 and, as you suggest, if I could talk in a very general way
24 about them and if there is anything that I perhaps didn't
25 cover or would require a more detailed response, I'll be
26 pleased to do that.

1 As I say, the concerns raised
2 are very valid. There's many questions about what the impact
3 of this pipeline is going to be. We, in developing our
4 policy positions, have looked at what has happened in
5 Alyeska and what has caused these problems, what have been
6 some of the problems in other projects that are in Canada,
7 projects that have similar impacts on the communities. We've -
8 we have developed policies and procedures and we will do so
9 to, in an attempt to minimize the problem. We don't know
10 all the answers. There are many things that perhaps we
11 won't be able to identify, but certainly, we'll maintain the
12 flexibility necessary to deal with problems as they do come
13 up. But, we feel that, in many cases, we've identified the
14 major problems, as happened in Alyeska, the in-migration
15 problem. The policy that we have about bringing southerners
16 in by plane and taking them to the camps and working the
17 long hours and not providing the, not providing transporta-
18 tion and so on, casual transportation while their there.
19 The fact that they'll be working, say, three months in the
20 summer - in the winter, and about four or five in the sum-
21 mer - five or six in the summer and going out, I think will
22 all be factors that tend to minimize the in-migration. But
23 that's not to say that there won't be any problem.

24 The fact that we're having this
25 inquiry is extremely important because the input to this
26 inquiry will be added input to what the problems are

1 identified a number of people and what procedures can, and
2 policies can be worked out in order to, in order to overcome
3 these. We certainly intend, as part of our contract with
4 the contractors that will be building the pipeline, to
5 include in the contract our policy positions and those
6 terms and conditions which will be contained in the permit
7 to assure that what we have been saying is, will be carried
8 out.

9 Now, it's very easy for us to
10 get up in here and say that we will do this and we will do
11 that, and I can understand why there is some apprehension
12 about whether in fact it will be done. All I can really
13 do is refer back to Alberta Gas Trunk Line, which is one of
14 our sponsor companies, and what they have done. They've
15 encouraged local business, they've, they have provided pre-
16 payment of contracts to enable people to get involved, native
17 people to get involved in the work. They've loaned exper-
18 tise to certain companies to help them get going. Another
19 matter that - they were the ones that started the Northern
20 Training Program, it's been going for about seven years.
21 They have, in their own organization, a native hire section,
22 which has a responsibility to be certain that native people
23 are placed in the Trunk Line organization. So, it's really
24 that base that we're working on, plus what West Coast have
25 been doing, that we will be just transferring up to Yukon
26 and continuing on if we, with these policies, and expanding

1 as required to meet the different circumstances.

2 The other, one of the other
3 points that was made is that who will pay for the additional
4 cost associated with the pipeline. We've taken the position
5 that, if any costs are incurred, that are traceable to
6 the project, then it will become our, the project's respon-
7 sibility to take on those costs. We would fully intend to
8 have discussions with groups that might, that would be im-
9 pacted prior to the impact occurring, to discuss with them
10 the means in which we can minimize and to work out some
11 arrangement beforehand to be certain that the funding is
12 properly covered to handle the forecasted impact.

13 The, one of the other points
14 that was raised about working on Sunday. Certainly, if an
15 individual didn't want to work on Sunday, I don't see how
16 you could force him to do that, but what does happen is that,
17 in order to get the skilled pipeline workers to come in from
18 the south, and I think this is a big concern, the people that
19 are coming in from outside of Yukon, in order to get them to
20 come on a project, whether it be here or anywhere else, it's
21 absolutely, almost essential that you would guarantee them
22 enough overtime and enough working hours to entice them to
23 come up and work on the project. So, our experience has
24 been that they will work Sunday, and they do work long hours
25 and want to work long hours.

26 The other point, of course, is

Mr. Burrell
Chief Johnson

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1 that, in the construction of this, of our pipeline in the
2 Yukon, at the same time there will be pipeline construction
3 going on in Alberta and British Columbia, so that, perhaps
4 some of the people who would come to Yukon if there was only
5 a pipeline being built in Yukon, will in fact stay in
6 British Columbia or in Alberta, to take employment close to
7 home. There's about three times as much mileage, pipeline
8 mileage, going to be installed in Alberta and British Colum-
9 bia than there is in the Yukon.

10 Are there any other items that
11 did I?

12 CHIEF JOHNSON: I just want to
13 ask you one question.

14 MR. BURRELL: Sure.

15 CHIEF JOHNSON: When you say
16 Foothills is going to pay part of the expense, if it is the fault
17 of the pipeline, do you mean that if they staff up on
18 RCMP, that's Whitehorse that will be the worst hit and
19 those people that have no place to stay, that if the City
20 has to provide a place for them to stay, does that mean that
21 Foothills will have to pay for all this too? Or half of it?

22 MR. BURRELL: Well, of course,
23 in our projections of in-migration, given the factors that
24 there is construction in Alberta and British Columbia and
25 the isolated camps and so, we're forecasting that the in-
26 migration associated with the pipeline will be relatively

1 small, not what you would see with respect to Alyeska,
2 because we feel that the Alyeska situation was totally dif-
3 ferent, it will be totally different from what we're exper-
4 iencing here.

5 As far as the RCMP is concerned,
6 we've had discussions with the RCMP with respect to what
7 their plans would be if the project went forward, and they
8 are now planning what they intend to do. Certainly our policy
9 that, as these matters develop, whether they be with the
10 RCMP or not, certainly any costs that are traceable to the
11 project will be the project's responsibility and there are
12 a number of costs that are not, perhaps in the grey area,
13 if you want to call it that, we feel it's important to sit
14 down with the people that will be impacted and have discus-
15 sions with them before the matter comes about and determine
16 how the best way to handle it. It's very difficult to give
17 a specific answer, but certainly that's how we're prepared
18 to do it and we're prepared to work toward that end.

19 CHIEF JOHNSON: Thank you.

20 What I heard was that people
21 are saying that CYI have put words in our mouth. I don't
22 think that's true, because it's only ^{one} side of the story we've
23 heard was from Foothills Pipe Line. I think what CYI is
24 doing is going out, telling the people what effect it will
25 have on them, not putting words in our mouth. I think
26 somebody's sick when he said that. They said CYI is going

1 around telling everybody to oppose to the pipeline. There's
2 a lot of Indian people not opposed to it, I don't think.
3 But whoever said that, I don't know where he got the infor-
4 mation from, that CYI's going around telling people what to
5 say. I think they're just preparing for them to tell them
6 what that Inquiry is all about and to tell them what effect
7 the pipeline will have - which nobody did before them.

8 Well, the environment's coming
9 up tomorrow, up to the village here, and telling us what
10 the impact will be. Well, that environment should have
11 come up here before the hearings, not after the hearings.

12 That's all for now.

13 DANIEL JOHNSON: May I add to
14 that, Joe. There's one thing that really annoys me and
15 it's people that say, well, you don't listen to the side of
16 the pipeline. But, I have no sympathy for people in pipe-
17 lines. I have no sympathy for people that say they don't
18 listen to people, the pipeline side of the story, because
19 the pipeline people have got money. I mean, you look at
20 Artic Gas. They ran a full page ad in last month's
21 MacLean's magazine, at \$10,000.00. They ran a full-page
22 ad in Time Magazine. That's \$25,000.00. Run a PR campaign,
23 a slick PR campaign. This other thing, too, that I thank
24 Joe for mentioning, is about CBC jumping on the wagon there
25 and saying that the CYI is putting words in people's mouths.
26 We have a position and we represent our people in a way and

1 we explain to people what the hearing is about, because lots
2 of our people don't have education. We explain to them what
3 a hearing is, why people come, why people go around to each
4 of these communities and listen to people. A lot of people
5 don't know that. If you don't tell people, they wouldn't
6 come here, they wouldn't talk.

7 And, you know, we got a few
8 dollars from the government to try to get our words across
9 and to do our study so that we can defend ourselves. But
10 this thing about people saying, you know, you don't listen
11 to the side of the pipeline is B.S., because they've got
12 the money and that's what they're in for is for the money.
13 They don't care about people, they don't care about souls,
14 they don't care about the land, they just care about the
15 money. And that's, you know, and I think that's a point I
16 wanted to make. I want people to understand that and so -
17 thank you.

18 MR. CHAIRMAN: Thank you, Mr.
19 Johnson.

20 I can say on behalf of the
21 Board, that we recognize that it's a very important function
22 to have the CYI, and others, too, if they wish, to do every-
23 thing they can to see that a range of information and views
24 and so on is before people in the community so they can
25 make as informed an opinion, or statement, as possible.

26 Now, may I ask if anyone - yes,

1 Father Huijbers --- oh, I'm sorry. Yes, I didn't know, Miss
2 Lena Johnson?

3 MISS LENA JOHNSON: My name is
4 Lena Johnson, of Burwash. I was born and raised here and
5 I have three children, my own, and I was married to the
6 man and left me with all the children, I had to bring
7 them up myself. But, like the way Daniel, I think it was
8 Daniel, who put the land here for us to live on, but God?
9 I feel like I was planted here like a forest tree and raised
10 here, not going nowhere, and just sitting here like a plant
11 and getting old and I know I'm going to die here, I'm not
12 going to die somewhere else. It seems like all these young
13 people have moved away from here for a while. Like they
14 said, like, we tried to live like a white people and some
15 of them go down to Vancouver, they stay five years there.
16 My brother don't come back yet, my younger brother he's
17 still out somewhere. He's gone for five years.

18 I was thinking, this Inquiry
19 here just came too fast and seems like I don't have time to
20 think what I - to think back what I have known. It seems
21 like I just - I don't know what to say and what I've got to
22 say, and all that. But I know God has planted this Indian
23 people up here and He took care of them to survive in the
24 bushes and all that and I believe that. The pipeline -

25 really frightens me when I think about it in the night
26 sometime I sleep, just thinking about only a few kids we

1 got left, try to teach them Indian again. And those ones
2 are going to be murdered. I counted little girls here in
3 Burwash, I counted sixteen of them, who are going to grow
4 up to be teenagers and people coming from outside and coming
5 here and they going to do the same thing that happened to us
6 when we were teenage and young. This man were up here and
7 he took us - this white people guys here, I mean guys
8 who were building the road, they found us and they came
9 here and started giving things to our parents. When I
10 thought about all that, after getting old now, just scares
11 me. What's going to happen to my grandchildren, what's
12 going to happen to all these little girls, racing around,
13 who might find them in the bush area, just playing and
14 attack and rape, just think about whole bunch of scary
15 things. What going to happen to this children. I know
16 murder, the murder rate will be higher and then maybe the
17 sickness rate will get higher, with so many people just
18 travelling back and forth.

19 To think about all this - I'm
20 not prejudice with white people, but I just really fright-
21 en me to think about how many people are going to come in
22 here and what's going to happen to our children's children
23 and all those kind of thing.

24 Now, we're just trying to gain
25 back our new culture. I know my young son never went, my
26 youngest son never went to residential school, that he under-

1 stands his language, but he couldn't speak it. And my
2 other two, my oldest son and my daughter and, went to a
3 convent and even they were there just a few years, but they
4 would never speak our language. And we're trying to revive
5 this back and all this people coming and I know just what's
6 going to happen. Like one of these men here is, people
7 here, seems like all Johnsons, and sometimes I feel embar-
8 rassed about that, but in myself I just feel embarrassed
9 because too many kids were born to unmarried girls, be-
10 cause of those guys who come here with alcohol. Just think
11 about dope. Just think about mental illness when all this
12 people are coming here. The dope is bad enough and white
13 anywhere already, just all this drugs. When I thought
14 about, just scares me.

15 My grandchildren, granddaughters
16 are just so cute right now and just enjoying them and what's
17 going to happen to them when all this people come in? I
18 know people are going to be murdered and over food,
19 over money, so many people they don't have nothing to eat.

20 I'm not really opposed against
21 the pipeline, but just thinking about all this things just
22 scares me. Sometimes I find myself myself kneeling down
23 and praying about it, and it just really sad to think about
24 it.

25 That's all I have to say.

26 MR. CHAIRMAN: Thank you very

1 much for your statement, and, you mention that time was
2 such that you would have liked to be able to think a little
3 bit more about your presentation. I just wanted to mention
4 that it seems pretty clear that we're not going to complete
5 the process today, and that we will be back, so please feel
6 welcome - I said the same to Mrs. Jacquot, whose statement
7 was interrupted by the coffee break, to make a further
8 submission when we do come back.

9 Father Huijbers?

10 FATHER HUIJBERS, SWORN.

11 FATHER HUIJBERS: Mr. Chair-
12 man, Board Members. Well, people are "out-meetinged". We
13 have meetings for the last two months. They're very tire-
14 some and many things come back. Last week the Chief came
15 over asked me if I would go back a little further, so
16 allow me, in the beginning of this brief, to go back in the
17 history and the development of the last forty years. It
18 will be short, but at that time there was no Alaska Highway,
19 no highway to Dawson, to Mayo. Only the old trail from the
20 White Pass.

21 Most of the native people lived
22 from trapping, fishing, hunting, for their livelihood and
23 for clothing. As you've seen in the museum, even the gopher
24 skins were used to make their own personal clothing they
25 used. In other words, they were the King of the Bush. The
26 man was the provider. He would go out catching fur in the

1 winter, hunting food for his wife and his children. The
2 women were the seamstress, making the clothes and footwears
3 from the skin their husband brought in, for her and her
4 children.

5 Then suddenly, due to circum-
6 stances of war, a highway was built. Men were requested
7 to work as guides for the army catepillars from settlement
8 to settlement. Later, they worked for the civilians that
9 were finishing the highway and followed up the army. You
10 can imagine, after all these years, what a change that
11 brought in the way of these people. A change of living,
12 a change in the language, a change in culture, even a
13 change in food and clothes. Due, for the men were working
14 from time to time, and not in one place, Burwash, but also
15 in the other settlements along the highway, and due that
16 there was need for the wood to be cut for the camps that
17 were there partially or temporarily, or even for five, six
18 months, the man went out and did the wood-cutting, the
19 families came closer to the highway, left the bush, left
20 the trap-lines.

21 They were very happy people in
22 the bush, but soon there was no more work available. They
23 always had to return and a chance to return, because the
24 trapline and the hunting rights and the fishing rights,
25 gave them the facility to live their own live. But sudden-
26 ly, the year I came in, due to several reasons, synthetic

1 fur and others, the fur market prices dropped out of sight.
2 Even if the man went trapping at loss, at twenty-five or
3 thirty cents, when you start counting the time he goes, sets
4 his traps, cleans his fur, bring his fur back and prepare
5 it for the market, there was not twenty-five cents an hour.
6 There was no subsidy available for traps. There was a
7 station in Mayo, and backboards. There was a station here
8 and backboards, even via the telephone and the
9 radio.

10 There was subsidy available for
11 fisheries. There was subsidy for mining, there was subsidy
12 for tote roads, there was subsidy for transportation, but
13 there was no subsidy available for trappers. And that
14 would have been the time that the man who knew what trap-
15 ping was and who knew it inside out, would have been able
16 to still, in that time, to be the provider for his family.

17 What happened then, white men
18 came out with a family allowance. There was introduced,
19 I stand corrected, I believe in '48. The man lost his role
20 as provider, because the family allowance automatically
21 went to the mother.

22 Then the Old Age Pensions were
23 paid, I believe '51 or '52, I don't recall anymore, I have
24 signed many forms but it was around that time. Again, it took
25 some activity away from the man to provide for his families.
26 So they hung around the settlements and the highway, quite

1 often had nothing to do, because it was not worthwhile to
2 go trapping, fur had no value. They started drinking.

3 The effect was obvious. Family
4 break-ups, deterioration of whole settlements, soul and
5 moral downfalls. All there was to do was to wait for the
6 next cheque. Most of our Indian people could not adapt
7 themselves to a rapid change in their way of living. For
8 instance, we all agree education is important. To have
9 education, it was said, the integration should take place.
10 Instead of having a small school in each town and a good
11 teacher under the Education Department, up to, let's say
12 grade four or five, where not only the locals could go to
13 school among themselves, learn to go to school, follow the
14 curriculum as much as possible, and have their own input,
15 integration took place from grade one. Children were inte-
16 grated first several hundred miles away from home. Later,
17 closer, and now ten miles. And still the fact of real
18 integration is very poor and little success.

19 Last week we had our annual
20 retreat in Whitehorse and I walked to town. I was by the
21 Ford garage and I looked at the school ground. In one
22 corner, you see all group of Indian children playing. In
23 another corner, half-breed children playing, the rest by
24 themselves. Even now, integration has difficulties. It takes
25 a lot of time and all this had an enormous impact on the
26 people. Some were in contact with the white man earlier,

1 due to the gold rush, that was along the highway, that was
2 along the waterways, but here, thirty years ago there was
3 no highway. Thirty years ago, only one generation ago, the
4 people lived here, and lived here the way they always have
5 lived as their forefathers did.

6 So, Mr. Chairman and Board
7 members, when you add to this the many undeserved free
8 cheques, that even come today from various departments, it
9 surely is to be observed that we have caused many unhappy
10 events for the people who are very happy in the bush a
11 few years back.

12 Now, it easily could be we are
13 here for recommendations and it easily could be that there
14 is a lack of energy and that energy would request a pipe-
15 line in the Yukon. But then, I ask myself, at what cost?
16 Are the people, and I mean Indian people and white, are
17 they prepared to cope with such a hasty development, un-
18 expected, turn of event. Would it not be better to wait
19 a few years. Do they have time which needs to be ^{to} look into
20 every aspect of it? Do they realize that the social impact
21 alone in the North, of an immediate pipeline construction
22 could be devastating? Perhaps by lack of energy, we can-
23 not judge it.

24 We are suddenly faced with the
25 advance of a proposed gas pipeline. Of a highway to be reloca-
26 ted. Of a highway to be paved. Mr. Chairman and

1 Directors of the Board, that is not done in one year.

2 You're not going to have that impact just in one year. The
3 paving alone is going to take - the relocation of paving
4 alone is going to take several years.

5 Is it then not very disappoint-
6 ing, after all the meetings that we have had, that we have
7 no input whatsoever of our government, until this day?
8 About these possible developments, that can take place, if
9 they then should have to cope with the many things that
10 possibly could take place in the future, perhaps for rea-
11 sons that we can not judge against, but certainly would be
12 the most important that we do have to meet these problems
13 and how are we preparing them now? Unprepared, with only
14 promises? But, we should meet them, well laid down, with
15 rules and regulations and backed up not only by the company
16 in all faith, but also by the government.

17 And, I say again, if the common
18 good would demand a pipeline and by the promises of the
19 company interested in building this pipeline. For instance,
20 we have heard fifty per cent of the people building the
21 line and operating that line would be local people, but if
22 I come from Vancouver and spend six months here, I'm local
23 people. We heard from the Chief this morning, the same
24 problem goes through their minds. That means that after
25 six months, they are running the the country if they like
26 so, if we exaggerate the expression.

1 I wonder then, who will work
2 in the pipeline construction and maintenance? Foothills
3 has promised us to put trained people. They have said
4 here in the same hall, they will be paid while training.
5 They will even look after the families, or in the Yukon or
6 outside, but, that certainty will take several years.
7 Where will a thousand people come from in the Yukon, unless
8 they quite their job and you deplete the manpower of those
9 that are working, to go to work for pipeline? Who will be
10 working there?

11 If the pipeline wages are not
12 balanced with the Yukon wages, and not vice versa, there is
13 no stopping no place. If a man who operates a cat here
14 makes \$10.00 an hour, then the pipeline, then the pipeline
15 cat operator should not make more than \$10.00 an hour. If
16 not, you're going to deplete your own manpower.

17 Who is going to work in the
18 pump stations? Outside contractors or Yukon contractors?
19 We have heard the argument so often, this is a federal bid
20 so therefore only those that have the lowest bid in Nova
21 Scotia come here and build it. It should be Yukon people
22 that should be working on it then.

23 Foothills could solve several
24 problems, and they have been very good listeners, they
25 could solve one problem by bringing in the families, at
26 least for the summertime. But, what about medicare,

hospitalization, economy? What about influx of outsiders flocking into the North? Who's going to stop them if the government does not back us? What about the many other serious questions we've heard this morning? How can anyone cope with these problems and more, without the input of a Yukon Government and federal government, and without the implication of rules and regulations laid down by the government - federal or territorial - before the planned pipeline is planned and in actuality worked on.

Further Mr. Chairman and Board members, if the pipeline finally would be realized, if that had to come, after not only rules and regulations had been laid down, but also common sense is used, we hope, we have been told several times that communities where the pipeline comes through could have the benefit of use of that gas. I've gone into that, the technical part. But to take gas out of a 48 inch line is a very costly business. And who will have to pay for that? From the line to the village? The line is going through land, the gas line is going through land and if the local communities have to pay the costly installation of \$12,000.00, I think it would be unfair to our local people, who do not get any rental and payments from that pipeline, and let the lines go through the lands, for the use of the lands, to have to pay a costly installation. And I would even go further, the cost of gas is delivered or could be delivered at wellhead prices

1 but wellhead prices vary. That is not stable, and there-
2 fore, it should be included in that contract that if the
3 villages get wellhead prices, it should be on one price and
4 not being up next month and up next month. So that they
5 have one cost without a raise in the future.

6 Perhaps, indeed, United States
7 needs gas badly. We cannot judge it. But what about United
8 States, for instance, releasing an open port for Canadian
9 transportation, an access to a harbour on the ocean in
10 return for gas transported through the Yukon to the
11 southern States? The Yukon has no port. A Canadian ship
12 could come and go and bring in merchandise, take out mer-
13 chandise and develop business of the Yukon, without any
14 hindrance.

15 There are many more points,
16 Mr. Chairman and Board members, but as conclusion, it will
17 take some time to get ready for the many different ways to
18 solve the impact, to implement rules and regulations, to
19 make sensible work conditions. Perhaps, if a pipeline really
20 is needed, I think that all these precautions and others,
21 should be taken beforehand and well studied. Rules should
22 be laid down, justice should prevail, that in all honesty
23 can be said we used common sense and we are prepared to
24 realize a pipeline for the benefit of our native people,
25 as well as for the white people of the Yukon.

26 Thank you, Mr. Chairman and

1 Board members.

2 MR. CHAIRMAN: Thank you very
3 much indeed, Father Huijbers, for that very excellent
4 submission. You raised a number of points for discussion.
5 I won't try and summarize them. One thing I did note, you
6 raised the question of wages and whether the pipeline com-
7 pany shouldn't be fitting their wage scale into the local
8 wage scale. One of the things that seemed to emerge from
9 the earlier hearings is that the problems that they had
10 in Alaska, in terms of turnover, people leaving the jobs
11 they had before to go to high-paying jobs in the Yukon,
12 was not so much because the hourly rates were that much
13 different. They may have been slightly higher, but we are
14 told not, there wasn't that much difference, but it was the
15 opportunity for overtime and the long hours of overtime
16 was what made it a relatively financial attractive proposi-
17 tion. So that raises the question, if that is correct,
18 whether anything can be done to limit overtime or to reduce
19 the competitiveness that way.

20 Did you have something on that?

21 FATHER HUIJBERS: I don't know
22 where you really heard this, because I visited the camps
23 and I have said Mass in the camps in Alyeska, but a dish-
24 washer, for instance, works ten hours a day, seven days
25 a week, and gets a \$1,000.00 a week. Now, what hotel could
26 compete against Alyeska Pipeline and a \$1,000.00 a week?

1 And it is not on account of the overtime, it was on account
2 of the price wages that was laid down by the union. And
3 I can foresee, for instance, that Foothills will have dif-
4 ficulty when they have to lay down the contract with the
5 union, if they ever build the line, then they still have
6 to make sure that these things are covered.

7 MR. CHAIRMAN: Well, that's
8 something that we'll certainly be interested in getting
9 more information on. As to where that came from, my re-
10 collection was that was part of the submission that was
11 made to us in the formal hearings by the Alaska Highway
12 Pipeline panel. It's the independent panel, headed by Mr.
13 Templeton and his panel. As you may know, they gave evi-
14 dence before us in Whitehorse earlier this month. That
15 was part of their written submission and it also came out
16 a bit in the evidence.

17 But, I've also, just to tidy
18 it up, matter up, the Board has indicated more than once
19 in the course of the hearings, that we're very interested
20 in learning much more about what happened in Alaska, and,
21 indeed, as part of that, we intend to visit Alaska briefly
22 for some firsthand information, as well.

23 FATHER HUIJBERS: This is what
24 I was going to suggest.

25 For instance, at Clear Water,
26 there's about eighteen oldtimers that were homesteaders,

Mr. Burrell

1 had to leave, could not live there anymore on their pension,
2 had to go back to Minnesota or Iowa or where they came
3 from and only come up to put seeds in their farms that they
4 have, they go up and go right back.

5 A pound of coffee right not
6 is six dollars and two.

7 A VOICE: Father, it's seven
8 dollars, in Whitehorse.

9 MR. CHAIRMAN: I'll ask, Father
10 if you wish to remain there, I'll ask Mr. Burrell if there
11 are some of the other points that you raised that he wishes
12 to speak to.

13 For example, I noted that you
14 raised a question of the cost of installation, with respect
15 to gas services and there was a little bit about that in
16 the hearings in Destruction Bay yesterday. I think prob-
17 able Mr. Burrell would like to say something about that
18 and perhaps some other matters that you raised as well.

19 MR. BURRELL: Well, first of
20 all, Father raised a number of points that have to be
21 addressed and have to be properly addressed and procedures
22 have to be developed to minimize the impacts that could
23 occur. We certainly agree with that.

24 As I say, he did raise a num-
25 ber of points which have to be carefully studied. With
26 respect to the natural gas, the way the, the way this

1 system works or the way the installation of natural gas in
2 the community works, generally, is that a company or a
3 municipality or what distribution company would go into a
4 community and determine how many people would want to take
5 gas at a price that they have estimated from detailed
6 studies of where the gas lines would be located and how
7 many people would want to take the gas. Now, as far as
8 the installation is concerned, the cost of that is borne
9 in the cost of the gas which is given to each of the com -
10 each of the customers. Generally speaking, money is
11 borrowed to install the pipeline facilities and the cost of
12 those facilities, plus the operating and maintenance of the
13 system is written over, off over a number of years, and
14 that's reflected in the cost of gas.

15 Generally, how a system is
16 installed, regardless of who does it, it's done by people
17 who have design experience and construction experience, so
18 that, for instance, if the municipality or the village
19 were to decide to put in the gas line, then, undoubtedly,
20 it would be done by, under contract to a firm that is
21 knowledgeable in designing and installing gas pipelines.

22 As far as what normally happens
23 with respect to payment of taxes, all, as far as I know,
24 all gas companies that have facilities installed within
25 a community, do in fact pay taxes to that community for the
26 right to have their pipeline distribution system located

1 in that area. As an example, we have estimated municipal
2 taxes, which our company would pay as a result of putting
3 a pipeline in Yukon, would be somewhere in the neighborhood
4 of about five million dollars.

5 Now, yesterday at Destruction
6 Bay, a gentleman asked how much would a regulator set cost?
7 He was referring to, he had a lodge along the highway and
8 he asked how much a regulator would cost. I gave him the
9 number of, I believe, \$500.00, which is right for a regula-
10 tor and then I said, in addition to that, there would be
11 other facilities required in order to install the gas into
12 his lodge. But, he may have thought that it would be
13 necessary for him to contribute \$500.00, or so, in order
14 for him to get gas. The way the business works is that
15 an estimate is made of how much it costs to install a fa-
16 cility and how much revenue is expected and then there's
17 a formula developed that, in the case of one company, it's
18 two and a half times the revenue of the particular area,
19 and facilities are installed up to that cost. So, in
20 some cases, if the single lodge is close to the pipeline
21 and has a fairly good road, there may be no cost at all
22 involved in, to the consumer, in order to put gas into
23 his home. Of course, he would have to pay for the gas
24 that he uses, but no prepayment, if you wish, in order
25 to get the gas put in.

26 Now, in other cases where

1 lodges or homes are a distance from the pipeline, then
2 there may be some contribution involved, but it depends on
3 how far the facility is from the pipeline.

4 In Burwash, for example, we
5 have done a calculation to determine what the cost of in-
6 stalling, of providing gas to Burwash would be and our
7 priliminary estimate indicates that gas can be provided to
8 Burwash at a cost which is less than it would pay for oil.
9 Now, realizing of course that wood is utilized, the cost
10 of gas, based upon strictly providing gas to Burwash, the
11 cost of gas as it stands now appears that it would be
12 higher than the cost of wood, but, we're looking at, say,
13 a, almost ten years in the future so that in ten years
14 time it may very well be that our forecast of wood prices
15 and our forecast of the gas are such that gas will, in
16 fact, compete very favourably with the price of putting
17 wood into the homes.

18 Is that fine, Father?

19 MR. CHAIRMAN: I'm told that
20 we have to take a short break to allow the tape to be
21 changed in the machine and then we're going to have to
22 adjourn for the day not much long after that.

23 I wonder, in the interval,
24 I'll ask Chief Johnson, perhaps, if I and council to the
25 Inquiry, Steve Goudge, who you know, could just talk
26 briefly to you for a moment about what arrangements we

1 might want to make with respect to a further hearing here
2 in Burwash and whether something could be set up today or
3 over the telephone later on.

4 So, I'm just going to suggest,
5 I hope that people won't leave for a moment. I don't
6 know how long it takes to change a tape - just about two
7 minutes so a very brief break.

8 (PROCEEDINGS ADJOURNED).
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1 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

2 MR. CHAIRMAN: Ladies and gentle-
3 men, could I reconvene the hearing just very briefly.

4 I propose to adjourn now in a
5 minute or two without taking any further statements or
6 questions, but I wanted to announce the date and time that
7 we'll be back. We're going to plan to be back here in Burwash
8 Landing on Saturday, June the 11th and to start our hearing
9 at 1:00 in the afternoon and we'll be here as long as we need
10 to be to hear from everyone who has something to say to the
11 Inquiry.

12 So, beyond that, I'd simply like
13 to thank everyone who came out today to participate in the
14 Inquiry. We've got some very valuable submissions. We look
15 forward to seeing you again on June the 11th, so we'll adjourn
16 now until that date.

17 (PROCEEDINGS ADJOURNED).
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A47F58 Pipeline Inquiry
Vol. 12

Lysyk Inquiry: Vol. 12

June 1, 1977 Burwash Landing, Y.T.

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ALASKA HIGHWAY PIPELINE INQUIRY

IN THE MATTER OF AN APPLICATION BY FOOTHILLS PIPE
LINES (YUKON) LTD. TO THE MINISTER OF INDIAN AFFAIRS
AND NORTHERN DEVELOPMENT FOR A GRANT OF THOSE
INTERESTS IN THOSE AREAS OF TERRITORIAL LANDS IN THE
YUKON TERRITORY AS MAY BE NECESSARY FOR THE CONSTRUC-
TION AND OPERATION OF THE SAID NATURAL GAS PIPELINE
AND THE WORKS AND FACILITIES CONNECTED THEREWITH AND
INCIDENTAL THERETO,

AND

IN THE MATTER OF A BOARD OF INQUIRY ON THE SOCIO-
ECONOMIC ASPECTS OF AN ALASKA HIGHWAY GAS PIPELINE.

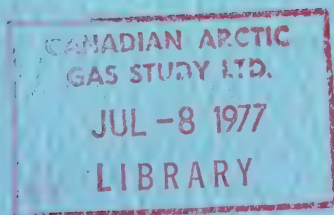
BEFORE THE BOARD
K.M. LYSYSK, Esq., Q.C. CHAIRMAN
WILLARD PHELPS, Esq. MEMBER
MRS. EDITH BOHMER MEMBER

P R O C E E D I N G S

VOLUME 13

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1 Haines Junction, Yukon Territory

2 June 3rd, 1977

3 COMMUNITY HEARINGS

4
5 MR. CHAIRMAN: Ladies and gentle-
6 men, I'd like now to open this community hearing on the
7 Alaska Highway Pipeline Proposal. I'm sorry we're a little
8 bit behind schedule today. The weather speaks for itself
9 and it's caused a few problems with respect to some of the
10 participants in this Inquiry.

11 Let me begin if I may, by intro-
12 ducing first of all, the Board of Inquiry.

13 My name is Ken Lysyk and with me
14 on the Board are Edith Bohmer and Willard Phelps, both of
15 whom are Yukoners, born and brought up in the Yukon.

16 As to some of the other strange
17 faces that you'll see around the room, I'm not going to
18 identify them by name, but in a general sort of way, over
19 here you have the Official Reporters that will be keeping---
20 at this long table, keeping track of the proceedings and as
21 I'll say -- remind you of a bit later -- I'll encourage you
22 to come to the microphones to ask your question or make your
23 statement, simply because we want to keep on the record,
24 everything that is said to the Inquiry.

25 At the very end is the Secretary
26 to the Inquiry, Pat Hutchinson, who will be swearing in the

1 people who are presenting a statement to the Inquiry.
2 Further along the table you have representatives of the
3 press and the CBC. You have amongst you in the chairs, we
4 have I guess, just a solitary representative of Foothills
5 at the moment, the pipeline company that's making the pro-
6 posal to construct a pipeline along the Alaska Highway.
7 There will be a few other people along from Foothills I
8 gather, in a very few minutes, on their way from the airport.

9 Also have observers from two other
10 interested parties -- Arctic Gas and El Paso. Also have
11 amongst you, a few representatives from the staff -- I
12 shouldn't say representatives -- but members of staff of our
13 Inquiry.

14 So, let me just take a minute or
15 two to tell you something about the job that we are asked
16 to do and how we're going about it.

17 You will have heard, perhaps more
18 than you will have liked to have heard over the last few
19 weeks, that the Government of Canada is proposing to decide
20 this August, whether or not to approve a pipeline route
21 through Canada to move gas from the Arctic to the lower
22 forty-eight States. One of the possibilities of course,
23 is this route along the Alaska Highway. Another possibility
24 is the Mackenzie Valley route. A third principle option for
25 the Government of Canada is to say, we won't give approval
26 to any pipeline route through Canada.

1 But this Inquiry was established
2 to assist the Government of Canada in reaching the decision
3 -- the decision that it proposes to make in principle this
4 August and in keeping with the timetable that the Government
5 of Canada has set for itself, this Inquiry has been asked to
6 submit its report to the Minister by August the 1st.

7 As to the nature of our job, I'll
8 just speak to that very briefly. We're asked to make a
9 preliminary report on the social and economic impact of a
10 pipeline, if it were to be constructed along the Alaska
11 Highway route. I say preliminary report because at the
12 time this Inquiry was established, the Minister announced,
13 and this is also part of our terms of reference, that if
14 approval in principle is given this Fall to the Alaska
15 Highway route, then the Minister -- the Government proposes
16 to establish a further Inquiry to develop detailed terms and
17 conditions for construction of such a pipeline.

18 So, it's preliminary in that sense.
19 It's preliminary also in the sense that a final report on
20 social and economic impact would be prepared also at some
21 later stage. In another sense though, it's not preliminary,
22 because one of the other very important tasks that we're
23 asked to perform, probably the most important, is to report
24 to the Government of Canada on the attitudes of Yukoners,
25 residents of the Yukon, to the pipeline proposal. That
26 in particular, is what this series of community hearings is

all about.

As you no doubt know, our first series of hearings were the formal hearings in Whitehorse, where we heard a fair amount of expert evidence on social and economic impact and other matters and there will be another round of formal hearings commencing in Whitehorse at the end of this month.

In the meantime, we're going around the communities. We had the first of the community hearings -- the informal hearings -- in Whitehorse, just one evening and we'll be having more back there, then for the community hearings, we moved to this north end of the Alaska Highway, starting in Beaver Creek, then we were earlier this week in Burwash Landing and in Destruction Bay and we'll be here this afternoon, this evening and tomorrow. Next week we move to the other end of the highway, starting at Watson Lake and Upper Liard.

So that's basically how -- what our job is and how we're going about it. Just one or two other observations. I'll be inviting you in a few moments, to step forward to make a statement or ask a question. Insofar as questions are concerned, the representatives of the Foothills company are the ones who will respond to your questions about their proposal. It may be that if you have in mind a question, as opposed to offering an opinion or making a statement, that you might want to hold that in

1 abeyance for a few minutes until the people from the Foothills
2 company arrive from the airport.

3 With respect to people making
4 statements as I mentioned earlier, the one bit of formality
5 and it's the one similarity with the formal hearings, we do
6 ask that people making a statement, give their evidence under
7 oath or affirm the truth of the statement they propose to
8 make.

9 Now, subject to that, and I know
10 sometimes it's difficult with the microphones and the bright
11 lights and so on, but subject to that, I'd like you to
12 regard this as a very informal hearing. Please don't feel
13 under any constraints about coming forward, simply because
14 you don't have an elaborate prepared statement or any pre-
15 pared statement.

16 It's our function, a very important
17 part of our responsibility as I mentioned, simply to obtain
18 the opinions of people from the Yukon about the proposal,
19 however brief, however informal those statements or opinions
20 might be.

21 Now, I don't think there is any-
22 thing else that I need mention at this stage. It will be
23 possible if there's interest in having it done at some later
24 stage, to have the representatives of the Foothills Pipe
25 Line Company to make a little presentation about the con-
26 struction of the pipeline and, as I say, to respond to

1 questions you might have.

2 I wonder if I might then, without
3 further ado ask if anyone would like to step forward and
4 make a statement. Maybe I'll just pause for a moment because
5 the ranks of the Foothills Company are about to be increased
6 and strengthened.

7 I'll just mention, that I spoke of
8 questions being fielded by representatives of the Foothills
9 Company. I'll just identify one by name if I can at the
10 moment, Mr. John Burrell, who's just come in -- John, maybe
11 you wouldn't mind rising for a moment so people can see you.
12 I was suggesting before you came in, that we just barely
13 got underway I might say, that they would -- people might
14 wish to hold off questions until you arrived and that we'd
15 take statements or opinions that people might wish to express
16 first, but I think now that you're here, leave it entirely
17 to anyone who wishes to come forward to either make a state-
18 ment or ask a question.

19 Perhaps when Mr. Burrell has had
20 an opportunity to catch his breath, I'll suggest that he
21 give just a few brief remarks about the pipeline facilities
22 and so on as they relate in particular to Haines Junction
23 and say something about the number of people and the type
24 of facility that would be located near here.

25 Would it be in order to do that
26 now. That would be a good time I think, Mr. Burrell, if you

1 would.

2 MR. BURRELL: Our pipeline project
3 is referred to as the Alaska Highway Pipeline Project and
4 it's purpose is to move Prudhoe Bay gas to market areas in
5 the lower forty-eight States. In the Yukon -- the Yukon
6 portion of it -- is five hundred and twelve miles long
7 approximately and it's proposed to be constructed and oper-
8 ated by Foothills Pipe Lines Yukon Limited.

9 At the north end at the Alaska
10 border, it will connect with the Alcan Pipeline Company which
11 will build a section through Alaska which is approximately
12 seven hundred and thirty miles long. Down at the other
13 end -- the lower end -- near Watson Lake, the system will
14 tie into the Westcoast system and then cross British Columbia
15 and tie in with the Alberta Gas Trunk Line system and then
16 the gas will be delivered to the 49th Parallel.

17 The pipeline which we are proposing
18 will transport natural gas. Natural gas is a vapour just
19 like air. It's not a liquid like gasoline or oil, so that
20 should a pipeline break ever occur, the gas would rise into
21 the atmosphere because gas is lighter than air. It would
22 not flow on the ground like gasoline or oil would. The pipe-
23 line diameter is forty-eight inches and the total pipeline
24 will be buried. It will be buried about two and a half feet
25 below the ground and will basically -- the alignment will
26 basically follow the highway through Yukon.

1 In the Haines Junction area, the
2 pipeline will be approximately three and a half miles to the
3 north, up near Pine Lake. The construction of the pipeline
4 in Yukon will take place over three years -- 1979, 80 and 81.
5 The section in the area of Haines Junction will be built in
6 the summer of 1979 and it will -- the construction during
7 that period will last from basically May through September
8 and the construction camps for this project or this section
9 of the line will be approximately twenty-five miles north
10 of Haines Junction -- this area here.

11 The closest compressor station to
12 the -- to Haines Junction will be this station here, which
13 is approximately twenty-five miles to the south. The con-
14 struction camps will be self-contained. They'll have
15 approximately seven hundred and fifty to eight hundred
16 personnel. We intend that in the operations and maintenance
17 phase, to locate an operating and maintenance area office
18 in Haines Junction, we estimate that there will be approxi-
19 mately twenty-two employment opportunities at that location.

20 Half of those we've estimated can
21 be filled by people who have no previous pipeline experience.
22 We're involved with a training program called the Nortran
23 Training Program which provides on-the-job training to
24 northerners so that they can acquire the skills necessary to
25 take on the jobs in the operating and maintenance phase.
26 It's our intention and we've had the commitment from both

J. Burrell

1 Westcoast and Trunk Line who are sponsor companies, that
2 they will provide the training necessary to train Yukoners,
3 to take on the jobs of -- in the operating and maintenance
4 phase. They will go down to -- they will go down into Alberta
5 and British Columbia, receive the training before the pipe-
6 line is constructed and then when the pipeline comes into
7 operation, they will move back and assume positions of
8 responsibility.

9 In the construction phase, we have
10 estimated that about sixty per cent of the jobs can be
11 filled by people who do not have previous pipeline experience.
12 We estimate that in the peak year, 1980, that approximately
13 twenty-three hundred people will be employed on the pipeline
14 in the construction phase.

15 The unions and the contractors
16 have, and have indicated that they will continue to do so, to
17 provide training to enable northerners to take advantage of
18 the construction opportunities that are available from the
19 pipeline.

20 MR. CHAIRMAN: Thank you, Mr.
21 Burrell. So may I now invite anyone who wishes to do so to
22 start off our discussions please, with a question or a state-
23 ment. Let me emphasize what I was saying earlier, please
24 don't be reluctant or dissuaded because of the microphones
25 and the lights. We do wish to keep the exchanges as infor-
26 mal as possible, have the same sort of discussion that we

1 might have if we were sitting around in your living room or
2 in your backyard, talking about the proposal.

3 MR. WOOLSEY: My name is Bill
4 Woolsey from Haines Junction and I'd like to know if he's
5 talking about the sixty per cent of the jobs being filled by
6 Yukoners or northerners. Is that just lip service or is
7 Foothills willing to put this in a contract or writing or
8 what on this part of it.

9 I mean, anybody can say a hundred
10 per cent so it doesn't really cut much ice. I'd like to
11 know just what guarantee they have for the amount of people.

12 MR. CHAIRMAN: Um-hmm. Mr.
13 Burrell, would you like to respond to that?

14 MR. BURRELL: The percentage of
15 sixty per cent is our estimate of the number of jobs that
16 can be filled by Yukoners or northerners or people without
17 previous pipeline experience. Now, the policy of the
18 company is that preferential hiring will be given to northern
19 people, to Yukoners, not only in the operating and maintenance
20 phase, but in the construction phase and we would intend
21 that this policy position and other policy positions we have,
22 plus terms and conditions which are contained in their permit,
23 would be part of the contractual arrangements we would have
24 with the contractors for the construction of the pipeline.

25 MR. CHAIRMAN: Okay, can I ask
26 if anyone else would like to make an observation or give an

L. Birckel

1 opinion. Yes?

2 LUCY BIRCKEL, Sworn.

3 MS. BIRCKEL: My name is Lucy
4 Birckel. I'm a Metis of French and Indian ancestry. My
5 father came to the Yukon in 1930 from an Alsatian village
6 in France and my mother's family were from the Yukon and
7 Alaska. I was born in Burwash Landing and was raised here
8 in Haines Junction and although I work in Whitehorse, I
9 consider Haines Junction as my home-town.

10 The opinions and evidence of
11 native people and those people who have been here for at
12 least ten years, I believe must outweigh by far, the
13 opinions of other people. This land belongs to the native
14 people who have originated here and that was at least thirty
15 thousand years ago. It is their homeland. They want a
16 voice in how the land will be used and this is appropriate
17 as they have been the guardians and protectors of this,
18 their land, for thousands of years.

19 We are in the time of constant
20 change, from changes in the natural forces of weather and
21 earth movements to a change in the social, economic and
22 cultural areas of our life. We are facing daily anxieties
23 of crimes, wars, racial strife, family disintegration, lack
24 of employment and lack of cohesion in our society.

25 Building a pipeline up here will
26 not put an end to all the problems we now face. In fact, it

17 Already, even before it is built,
18 the pipeline has brought out greed and hatred among our
19 Indian and White people. People are complaining about land
20 claims because it stands in the way of progress. The major-
21 ity of those that are interested in having a pipeline, are
22 those that are in business and can see a lot of dollars
23 passing through their hands. They don't care enough about
24 the Yukon or the effects a pipeline will have on the land,
25 the animals and its permanent residents. They are being
26 very selfish.

1 I want slow control to go to the
2 Yukon. I don't want to be flipped off my feet by a horde of
3 people coming in for a new Yukon gold-rush. I also don't
4 want a pipeline until all technical research is advanced
5 enough to keep the construction of the pipeline at a very
6 safe level.

7 I have looked at the construction
8 of the pipeline from every side. I have weighed the aspects
9 of good against bad, but always my scale shows bad out-
10 weighing good. That is why I'm not for the pipeline. It
11 is not because I want to extend that gap between Indian and
12 White. I am Indian and White in blood and upbringing. It
13 is impossible for me to do an injustice to my White and
14 Indian people.

15 I say no because I value anything
16 that will lead to the brotherhood of man and not something
17 that will make the rich richer and the poor poorer. I hope
18 then that what I say to you, the members of the Board, is
19 in such a purposeful way as to be a helpful influence to
20 you in making a good and just decision for the people in the
21 Yukon. Thank you.

22 MR. CHAIRMAN: Thank you very
23 much, Ms. Birckel for your presentation. May I ask if any-
24 one else is ready to come forward with a statement or if
25 anyone wishes to ask a question.

26

HAROLD KANE, Sworn.

1 MR. KANE: I'd like him to elaborate
2 more on that statement, self-contained.

3 MR. CHAIRMAN: The statement Mr.
4 Burrell made about self-contained?

5 MR. KANE: Yes. In what way,
6 just by facilities or personnel 'too?

7 MR. BURRELL: When we refer to a
8 self-contained camp, we mean that the camp has all the
9 facilities necessary to house the workers, that includes
10 not only the sleeping accommodation and the facilities
11 necessary to feed the men, but also recreational facilities
12 necessary to occupy the men during the off-time period and
13 that the camp would not have to rely upon the services of
14 an outside supplier such as a community as far as municipal
15 services are concerned. It would be self-contained to
16 that degree.

17 MR. KANE: Is this a move to
18 prevent inflation?

19 MR. BURRELL: It's part of the
20 -- one of the major reasons that it was brought forward was
21 because of experience in Alaska with Alyeska and the concern
22 that has been expressed to us and in our studies in the
23 Yukon and in the N.W.T. in the work that we've done up
24 there, problems with in-migration. We've concluded that
25 the most appropriate way to house the construction workers
26 is rather than in a community, is to house them in self-

1 contained camps and not put undue pressures on the local
2 communities.

3 MR. KANE: . Thank you.

4 MR. CHAIRMAN: Thank you, Mr. Kane.
5 May I invite someone else to come forward with -- express
6 a point of view or to ask a question.

7 NEIL OLSEN, Sworn.

8 MR. OLSEN: My name is Neil Olsen.
9 First of all, I have several copies here, one for each of
10 the Board if they so wish.

11 MR. CHAIRMAN: Thank you Mr. Olsen.

12 MR. OLSEN: This is a brief
13 presented by the Haines Junction Businessmen Association.
14 We are a rather loose organization of twenty some members,
15 mainly in the service industries and unfortunately, the
16 President couldn't be here, so if you notice on the first
17 page, he couldn't sign behind his name because he's not
18 here.

19 But anyway, I'll introduce them.
20 Mr. Patterson has -- he's the President. He has the Cozy
21 Corner Motel; myself, I am Vice-President, I have The Inn,
22 and I believe the others are here. Bill Woolsey, is the
23 -- has the Fairdale Store and Edgar Bear has the Gateway Motel.

24 I guess I'll just read it for the
25 benefit of the audience and the press.

26 MR. CHAIRMAN: If would please,

1 Mr. Olsen.

2 MR. OLSEN: This is a brief
3 presented by the Haines Junction Businessmens' Association
4 regarding the Alcan Pipeline proposal. The presentation of
5 this brief was authorized at a meeting of the Businessmen'
6 Association held in Haines Junction the 27th of March, '77.

7 Before I go on with the text I
8 should add that mainly this is a brief description of the
9 history of Haines Junction given here for the benefit of the
10 Board and in the end, gives our reasons for supporting the
11 proposal of Foothills Pipeline.

12 So, without further ado I'll
13 get into it. The history of Haines Junction business devel-
14 opment is relatively recent. In 1946, 47, the first
15 business establishment was built, primarily to provide
16 services for tourists -- bus passengers and roving highway
17 maintenance crews and land pipeline maintenance personnel.

18 The only people living in the
19 at the time were eight to ten Canadian army highway personnel,
20 a small staff at the Government Experimental Farm at Mile
21 1021 and as well, one or two RCMP police officers and a
22 forest warden. In 1949 or 50, the first store was built to
23 provide services locally and the other north highway and
24 Haines Road communities.

25 Businesses developed, servicing
26 a fire prevention center for Kloo Lake, Aishihik and the

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1 Haines Road. All business people were responsible for
2 providing their own power, water, sewer and other services.
3 The first major change came in 1954, '55, with the construc-
4 tion of the Haines-Fairbanks eight inch multi-products pipe-
5 line. Construction began in 1954 and was completed in
6 September of '55. A pumping station was built at Mile 1026
7 with seven to ten permanent Canadian employees, all Yukoners.

8 Stations were also built at Mile
9 48 on the Haines Road and Mile 1124 on the Alaska Highway.
10 Approximately four hundred contractor personnel were employed,
11 plus the U.S. Government inspectors and military personnel.

12 I don't know if it says here, but
13 I'd like to add that the pipeline was built primarily to
14 service the U.S. Army installations in Alaska and Fairbanks
15 and Anchorage.

16 Haines Junction businessmen
17 responded to the needs of the pipeline construction and the
18 increased tourist traffic. The Junction became a viable
19 business community with enough people to have reasonably
20 good social activities and recreation facilities, which in
21 turn encouraged a few more permanent residents in the
22 community.

23 Yukon Electric was given a power
24 franchise for Haines Junction. In the late 1950's, Alaska-
25 Yukon Refiners constructed a small refinery at Haines Junction
26 with the prime purpose of providing products for the highway

1 paving program. They also built a bulk storage plant at
2 Mile 1024. Gasoline and diesel were hauled from Haines,
3 Alaska for distribution throughout the Yukon. The refinery
4 operated for one year, the bulk plant closed in 1975. The
5 Dominion Experimental Farm increased its personnel and
6 administrative headquarters and government in general, began
7 to upgrade their agencies.

8 These activities and the C.N.T.
9 Microwave really established Haines Junction as an active
10 center with a health center, a good school and other
11 facilities. Housing for native people from Kloo Lake and
12 Aishihik was built. In 1963, the Haines-Fairbanks pipeline
13 at the present site, built three additional pumping stations,
14 one on the Haines Road at Mile Line 96 and on Alaska Highway
15 at 1083 and the 1204.

16 Once again, six to seven Canadians
17 were hired at each station on a permanent basis, where the
18 remainder of the 1960's, relatively slow growth occurred
19 mostly by government in a new school and the community club,
20 built largely -- the community club built this hall we're
21 in here right now. That would happen in 1966-'67 as a
22 centennial project.

23 The growth of the community indi-
24 cated the necessity for an active form of local government
25 and the Advisory Committee established in 1966 was replaced
26 by the first Local Improvement District in 1969. During the

1 late 60's and early 70's, two events occurred that shook
2 Haines Junction and had a serious effect on the north highway
3 as well. The Canadian Government decided to close the
4 Experimental Farm and the American Government shut down the
5 Haines-Fairbanks Pipeline. The local community had no control
6 over either of these events.

7 Fortunately, early in '72, the
8 Kluane Game Reserve was established as Kluane National Park.
9 Parks Canada took over the old experimental farm and once
10 again, gave Haines Junction a base to grow from.

11 Kluane Park at present has
12 approximately twenty-seven employees in the Junction. A new
13 subdivision was established to accommodate government and
14 private housing.

15 The necessity for housing required
16 that we had a -- had to have a sewer and water system.
17 These were established in 1974, 5 and 6.

18 The Aishihik Power Project also
19 had a marked economic effect on Haines Junction, both on
20 employment and for local residents --workers at the project,
21 living in Haines Junction and the many employees that came
22 to the town for social and recreational activities.

23 This short resume of Haines
24 Junction development is presented to show that we have had
25 our ups and downs as we have developed. It should also
26 indicate that we are aware of the effects of major construc-

1 tion projects and are capable of making a sound and rational
2 assessment of the effects of projects such as the Alcan
3 Pipeline would have on our community and the Yukon Territory.

4 Route selection. Foothills Pipe
5 Lines proposal through the interior of the Yukon, closely
6 following the Alaska Highway, appears to be the logical
7 route if a pipeline through Canadian territory is to be
8 granted.

9 A sound transportation corridor
10 has already been established through the interior and the
11 pipeline closely following this corridor appears a natural
12 route selection. A small multi-products pipeline was con-
13 structed from Watson Lake to Carcross, closely following the
14 Alaska Highway. The four inch crude line following the
15 Alaska Highway from Johnson -- there was a four inch crude
16 line following the Alaska Highway from Johnsons Crossing to
17 Whitehorse. The three inch diesel fuel line was constructed
18 from Whitehorse to the border at Beaver Creek and the eight
19 inch multi-products pipeline closely followed the Haines
20 Road to Haines Junction and then to Beaver Creek.

21 While the first three above-
22 mentioned lines have been removed, it would be difficult
23 today to identify the right-of-way that these lines followed
24 because of brush growth. While these lines were all surface
25 pipelines, they still required one hundred to two hundred
26 foot easements. The construction of a forty-eight inch

1 buried pipeline would certainly disturb the landscape in a
2 much more evident manner and the scars left by the evacuation
3 would certainly be noticeable for several years, however,
4 experience has shown that regrowth through the proposed route
5 would be quite rapid.

6 In the case of the surface pipelines,
7 it was necessary to constantly remove undergrowth of trees
8 in order to provide access to the pipeline route for main-
9 tenance purposes. I'd like to elaborate a bit on that off-
10 hand, what they would do in the U.S. Army -- it was flying
11 the pipeline twice a week with a small aircraft and they were
12 inspecting the pipe for breaks and what they had to do was
13 spray herbicides and so on on the foliage, in order to kill
14 the growth so that the pilot in the airplane could see the
15 pipe and see if there was any breaks in it.

16 I can't remember how often, but
17 since I've been here, it's been twice that I can remember.
18 Anyway, our observation of other pipeline routes used
19 previously would indicate that the right-of-way through the
20 territory requested by Foothills, would not permanently
21 scar the landscape environment.

22 There is no question that -- but
23 that a clearing of a pipeline right-of-way and the subsequent
24 evacuation of the soil laying and recovering, will have an
25 effect on the environment. The issue was whether the
26 benefits to Yukon communities outweigh the overall impact

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1 of environmental damage and whether the environmental damage
2 cause would be permanent.

3 We have a good if not exact com-
4 parison in the Alaska Highway. We find it difficult to
5 believe that the pipeline corridor proposed by the applicant
6 would disrupt the environment as much as the Alaska Highway
7 did or has. We would suggest that the benefits of an assured
8 gas supply, plus employment opportunities, tax benefits to
9 the territory and an additional permanent residents in the
10 many small communities would compare favourably with the
11 Alaska Highway.

12 We feel that those people who
13 have to work with the Department of the Environment Officials
14 within their regulations and restrictions, would follow the
15 rules and as well, with any other guidelines that would be
16 required in order to keep environmental damage to a minimum.

17 During the construction of the
18 Haines-Fairbanks Pipeline, there was a little -- there was
19 little concern for environmental damage during the construc-
20 tion period. Canadian authorities exercised considerable
21 surveillance over the contractor, but nothing in com-
22 parison to the environmental regulations we have today.

23 We feel relatively secure with
24 the knowledge that we have had the opportunity to observe
25 pumping stations on the Haines-Fairbanks Pipeline and we are
26 not aware of any disruption of the wildlife because of

1 pumping station noise levels. Indeed, it was necessary to
2 build a six foot chain link fence in order to keep the bear,
3 moose and smaller animals out of the industrial areas.

4 The fact that the proposed pipeline
5 is buried, would have no effect on the migration pattern
6 of animals, other than possibly through the construction
7 period. We would expect that in any known area where wild-
8 life would be seriously affected or endangered, that the
9 applicant would not be allowed to locate buildings or
10 permanent facilities. In our particular area, we are not
11 aware of any such problem.

12 We feel that because the pipeline
13 was designed to carry natural gas as opposed of fuel or
14 liquid fuels, any possible damage caused by acts of God or
15 natural causes would not seriously affect the environment
16 in comparison to the damage that a crude or multi-products
17 pipeline would create under the same situation.

18 I might add in all the time that
19 I can remember, which is around here about ten years, they
20 had one break down by Dezadeash Lake which was cleaned up
21 by the U.S. Army. That happened in 1967.

22 We would expect that Yukon
23 residents would be given first opportunity for employment in
24 all areas where they could meet the requirements and quali-
25 fications. We would expect that the definition of a Yukoner
26 be based on some type of residency qualifications such as

1 being able to vote in the Territorial election. We would
2 expect that all fuels, oils, used by the contractor, would
3 be purchased through Yukon distributors of petroleum products
4 and subject to the same taxes as any other contractor in the
5 territory.

6 The Haines-Fairbanks Pipeline
7 employed local Yukon personnel as petroleum pipeline pump
8 operators, power-house operators, mechanics, welders,
9 equipment operators, et cetera. We have established that
10 they chose personnel that had a mechanical or equipment
11 qualifications as trainees and that this system provided
12 permanent employment for over forty Yukon residents. Only
13 personnel where specialized maintenance qualification
14 instrumentation, et cetera, were hired outside the territory
15 or they were Americans hired by the U.S. Army.

16 We could reasonably expect that
17 the applicant with the lead time indicated by the construc-
18 tion period, could provide the necessary personnel complement
19 to operate compressor stations and related duties. We would
20 readily agree that all supervisory and technical staff re-
21 quirements may have to be filled from outside the territory.

22 We have been assured by the
23 applicant in Information Sheets one, two and three that
24 they gave here recently -- that these opportunities and
25 other benefits will be given to Yukoners. The program out-
26 lined through Nortran, indicates that Yukoners will have

1 ample opportunity to benefit according to their merit and
2 performance.

3 Community benefits. Past experience
4 with previous projects have had very little detrimental
5 effect in our community social or recreational activities.
6 Indeed, in many instances, they provided many benefits be-
7 cause of a good public relations of the employees and the
8 employers. In almost every instance, these projects brought
9 more services to the community such as the health station,
10 additional schooling, business opportunities, more permanent
11 residences and finally, water and sewer in a new subdivision.

12 Our business establishments look
13 forward to providing as many of the services as possible,
14 within our limitations, in order to accommodate personnel
15 involved in this project.

16 Should Foothills application be
17 approved, our area is scheduled for construction during the
18 summer of 1979. We have been encouraged by Foothills policy
19 of using local business outlets wherever possible and we
20 feel that with consultations with Foothills, the possible
21 potential areas for business opportunities can be established.

22 I'll interject a bit here -- it
23 takes, in order to provide any kind of service -- it takes
24 about eighteen months, by the time you arrange your financing
25 and get going on a construction -- let's say a building or
26 whatever and so we feel that eighteen months is adequate

1 enough time to -- for anybody to go ahead and try to provide
2 more services -- okay, next, page ten.

3 We feel that with the job hiring
4 policies, if followed as outlined by the applicant, that
5 the effect in our community by in-migration should be kept
6 to a minimum. The company stated policy of workers in self-
7 contained camps well removed from the communities with their
8 own facilities, should assist in controlling our alcohol
9 problems.

10 We would agree with this proposal
11 and encourage its establishment. We would welcome the
12 additional twenty-two permanent residents to our community.
13 We are in accord with the company's stated policy of locating
14 its permanent employees in the nearest community, if the
15 community is in agreement.

16 We could reasonably expect that
17 the Government of the Yukon would respond to the needs of
18 the increased population, possibly allowing for schooling
19 up to grade twelve, grade ten at the present.

20 I want to interject here once
21 again. One of the problems we've had here in Haines Junction
22 is, it has always been when your family gets old enough to
23 go to high school, they have to go to Whitehorse and being
24 a small community, it's never been feasible for the Terri-
25 torial Government to put a high school in here because there
26 is just not enough students, you know, several -- they're

1 not going to put in two more grades plus all the lab facili-
2 ties for eight or ten high school kids, however, this has
3 had the rather unpleasant affect of having to send grade
4 eleven and grade twelve students to high schools at a time
5 when a lot of parents feel that they need a lot of super-
6 vision and no matter what you do in Whitehorse, it's pretty
7 hard to give the supervision that sometimes is needed. I
8 know of several families who left the Junction for and other
9 highway communities -- moved to Whitehorse or moved right
10 out of the territory just because of the problem with school.

11 We feel that if there was just --
12 we don't want to be a great big town, but if we were just
13 a little bit bigger, we could have a high school that would
14 do an awful lot to help this problem -- especially here.

15 Possibilities of a new cottage
16 hospital, new postal facilities and other amenities that
17 would result from a larger permanent population. No doubt
18 additional businesses would develop, enabling local residents
19 to be less dependent on the main center of business which is
20 Whitehorse.

21 Economics. One area of concern
22 here is the possibility expressed by Foothills that Haines
23 Junction is too far -- three -- I believe Mr. Burrell said
24 three and a half miles -- from the main line to make it
25 economical to provide natural gas to the community. We
26 would hope that the company would take another look at this

1 community and provide natural gas when the pipeline becomes
2 operational.

3 Foothills Information Sheet number
4 15, dated to the 15th of April, '77, indicates savings in
5 annual fuel costs by using natural gas over diesel fuel of
6 \$183.00 in Whitehorse to \$500.00 -- \$519.00 annually in
7 Watson Lake.

8 It seems reasonable that Haines
9 Junction should also have the benefits of a secure and
10 cheaper fuel supply. One of our main reasons for supporting
11 the applicant's proposal is that natural gas would be
12 available to many communities in the Yukon. At present, we
13 have fuel oil as our main support for home heating. At
14 present, we pay seventy cents a gallon. Electricity is
15 also very costly and propane is two hundred -- I'm sorry --
16 twenty dollars per hundred cubic feet.

17 Natural gas would give us an
18 assured supply of a home heating fuel that is cheaper than
19 any presently available in the Yukon. It seems peculiar
20 that in a situation where energy is becoming more expensive
21 and indeed at the present time, is either real or at least
22 there's going to be a future energy crisis, that there are
23 proponents dedicated to the comfort of wildlife, while we
24 are uncomfortable in our homes.

25 The availability of an assured
26 source of fuel would enable many more areas of the Yukon to

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1 encourage light industrial activities in their communities,
2 thus providing employment opportunities for our residents.
3 We now rely mainly on seasonable type of employment for a
4 great many residents. The present electrical equalization
5 rebate distributed to Yukon residents by the Territorial
6 Government, is forecast to last one or two more years. This
7 statement was made by -- recently made by the Territorial
8 Government and at present, no alternate source of funding
9 is available.

10 This fund allows businessmen a
11 fifteen per cent reduction in electricity and provides a
12 householder in this area with a rebate of approximately
13 thirty dollars a month.

14 The possibility of obtaining
15 natural gas at rates comparable with southern Canada would
16 be of tremendous economical benefit to a large percentage
17 of Yukon residents. The applicant has estimated that taxes
18 would accrue to our various government agencies, would be
19 close to three million dollars a year. Such a source of
20 a reliable income cannot but be of benefit to our government
21 and its people.

22 We would recommend that the
23 Government of Canada -- the Government of the Yukon and the
24 applicant -- give considerable -- give consideration to
25 establishing that co-ordinating committee that would look
26 at all aspects of the Haines Road-Alaska Highway Paving

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1 Program and the Alcan Pipeline Program. The benefits of such
2 a committee would be of a major importance if these two
3 projects should happen to coincide. The Highway Program
4 scheduling has not been made public at this date. Foothills
5 schedule has been forecast by his application. It would
6 appear that the summer of '79 is scheduled for Burwash to
7 Champagne area and would be completed by October '79.

8 We would hope that this particular
9 section of highway is not scheduled for a major relocation
10 or construction in the same year. We feel certain that the
11 activities of these two projects could be controlled so as
12 to cause the least possible demand for additional services
13 in the same construction season.

14 The many activities of the various
15 government agencies and the applicant should have absolute
16 priority of programming and planning, particularly in the
17 Haines Junction and north Alaska Highway.

18 Local Improvement Districts should
19 also become involved in order that the local government can
20 have input in areas of concern to their community and its
21 residents. In our view, the main areas of concern would be
22 ensuring that proper planning had been accomplished in co-
23 ordinating the activities of so many different government
24 agencies.

25 Some individual is going to have
26 to be appointed with authority for an on-the-spot decision

1 and who would have to have complete jurisdiction over the
2 Territorial Government, the Government of Canada and the
3 agencies and the employees.

4 We -- I'd like to interject here
5 once again and add that we generally feel that with the
6 Alaska Highway Paving Program and the Foothills, that it
7 would all happen bang, in one season and it just might over-
8 tax our businesses and as a business association of course,
9 we'd like to see the thing spread out evenly over a longer
10 period of time in order to give a better service, rather
11 than bingo, all on one belt because many of us are faced
12 with improving our facilities just to accommodate the Alaska
13 Highway Paving Program. That's spread over seven years by
14 the way, so they say.

15 In conclusion, Mr. Chairman,
16 members of the Board, we have to the best of our ability,
17 weighed the pros and cons of the applicant's proposal and
18 we have looked at the possible damage to our landscape, our
19 community, its environment and its people.

20 We have come to the conclusion
21 that the benefits this territory would derive from the
22 availability of natural gas would far outweigh any danger
23 to our environment or inconvenience to our people. To
24 communities such as ours, it would give us an equal oppor-
25 tunity to develop as we wish to provide a sound economic
26 base for all our people.

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1 We would also continue to look
2 forward to be able to live in the Yukon as is our choice,
3 a situation that will not continue if we are faced with the
4 increasing high cost of diesel fuel and electricity.

5 We feel confident that the Govern-
6 ments of Canada and the Yukon Territory will ensure the
7 damage to the environment will be kept to a minimum. We
8 also feel that the Alcan route would cause less environmental
9 damage than any of the other routes so far proposed.

10 We therefore, would add our support
11 to the applicant's proposal to build a natural gas line
12 following the proposed Alaska Highway route. With all the
13 evidence of ill effects recently expressed by anti-pipeline
14 supporters, we feel that the north Alaska Highway is a unique
15 area to examine the validity of such arguments. We have had
16 a pipeline. It and its pumping stations are still here. We
17 know of no serious damage to wildlife, ecology or ill human
18 social effects from the Haines-Fairbanks pipeline.

19 The economic advantages during
20 and after the construction were tremendous. It's shutdown
21 was a serious loss of payroll in this community.

22 MR. CHAIRMAN: Thank you, Mr.
23 Olsen and the Association for that brief. I might say that
24 the Board has had some interest, but it had very little
25 information to date on these other pipelines in the Yukon
26 and while recognizing of course, the difference in scope and

1 the fact that they're on the surface rather than buried
2 pipelines.

3 Just on that, you mentioned at the
4 beginning of your brief, that the Haines-Fairbanks Pipeline
5 employed approximately four hundred contractor personnel.
6 Do you know off hand, what the construction period was,
7 roughly?

8 MR. OLSEN: I believe it was only
9 about a year -- eighteen months -- wasn't it Ed?

10 MR. CHAIRMAN: I'm just wondering
11 -- I want to make sure that you can be heard sir.

12 MR. OLSEN: I can repeat after
13 him -- he said it started in the winter of '53, clearing
14 of the right-of-way?

15 MR. KARMAN: Pardon?

16 MR. OLSEN: The clearing of the
17 right-of-way started in the winter of '53?

18 MR. KARMAN: Yes.

19 MR. OLSEN: And '54 they started
20 building the line and the line was finished -- operation in
21 the Fall of '55. Mr. Karman here was -- worked -- was one
22 of the employees of the pipeline.

23 MR. CHAIRMAN: Thank you. Thank
24 you. The Board also notes the foresight of your association
25 in passing a resolution to prepare the brief on the 27th of
26 March, which is before the time this Board was created and

1 before any of the members of this Board had any inkling that
2 they'd be here to be receiving briefs from you or anyone
3 else I must say.

4 MR. OLSEN: Well, at that time,
5 we didn't anticipate an Inquiry, but we prepared this brief
6 -- we started on it quite a while ago, working on it anyway.
7 We didn't know who we'd be giving it to but we were going
8 to, of course, -- maybe even to the Territorial Government
9 you know, whoever would listen.

10 MR. CHAIRMAN: Well thank you
11 very much for your brief.

12 MR. OLSEN: You're welcome.

13 MR. CHAIRMAN: If anyone else is
14 ready to present a statement or offer an opinion or ask a
15 question.

16 MR. KARMAN: Is the Board
17 aware that there was a pipeline -- a two inch pipeline --
18 to Watson Lake that was tied in -- well, it was from White-
19 horse. It was a finished product line -- they pumped gas-
20 oline to Watson Lake.

21 MR. CHAIRMAN: To Watson Lake
22 from where?

23 MR. KARMAN: From Whitehorse.

24 MR. CHAIRMAN: I don't believe
25 we've had anything put before the Inquiry to that effect,
26 so anything that you wish to tell us about it, we'd be very

1 pleased to hear.

2 ED KARMAN, Sworn.

3 MR. KARMAN: I think they
4 operated it for about two and a half to three years, that
5 was during the war and it was -- they took that line up and
6 oh about '53 or '54, and then when you mentioned if we had
7 many breaks on the pipeline, there was no actual break on
8 this eight inch pipeline but there was -- there's an area
9 along Dezadeash Lake where it rusts -- the pipe it deteriorates
10 and then pin holes come in it and it was replaced by heavier
11 pipe. They had no more trouble with that then. On the
12 whole system, they had two areas that were bad.

13 One was in -- right in Haines,
14 Alaska. They had to replace three miles there and the year
15 before the pipeline closed down, they run a test on the in-
16 side of the line and it proved in good condition. That was
17 -- I think it operated nineteen years, so that was the only
18 oil spill that they actually had -- was along Dezadeash
19 Lake and it was something along the line of twenty-five
20 hundred barrels. They come in with the equipment and they
21 mopped it up and picked up most of the oil.

22 Right now, there's no signs of
23 oil showing anywhere there.

24 MR. CHAIRMAN: Thank you. Just
25 before you leave, you were -- you mentioned that you were
26 one of the employees on the Haines-Fairbanks Line. Of the

1 four hundred employees, how many were there in one place at
2 one time. Was there more than one spread?

3 MR. KARMAN: Yes, because you
4 see, the laying of the pipeline and then they come up behind
5 and weld. You see, the crew ahead and prepare the ground
6 for -- to lay the pipeline and then after they lay a bunch
7 of it, they go ahead and weld on it and they had self-con-
8 tained camps.

9 Now, the first camp is at 1043
10 and then they moved onto the Haines Road and they had one
11 big camp right in Haines, Alaska.

12 MR. CHAIRMAN: So none of the
13 employees were living in settlements.

14 MR. KARMAN: Pardon?

15 MR. CHAIRMAN: None of the
16 employees were living in settlements anywhere along the
17 way. They were in their own company camps.

18 MR. KARMAN: There might have
19 been some army personnel that did, but regular pipeline
20 employees lived in the camps, because the army personnel
21 like engineers, inspectors, where they could stay in commun-
22 ities, they did. But unless it was local hire, it was
23 handier for them to stay at home, well of course, he stayed
24 at home.

25 MR. CHAIRMAN: Thank you very
26 much sir.

1 MR. PHELPS: I wonder if I could
2 just ask you one question sir, before you leave.

3 Could you tell us what your feeling
4 is about the proposed pipeline. Do you have any opinions
5 on it?

6 MR. KARMAN: Wait until I get
7 my amplifier going here -- tuned in.

8 MR. PHELPS: We're trying to
9 find out what people think about the proposed pipeline and
10 I'm wondering whether you have any opinions about the
11 proposed new pipeline.

12 MR. KARMAN: Well, if it's put
13 in and controlled, I believe it should be put in. I've no
14 objections to the pipeline going in, but like on the last
15 one, the eight inch that they put in, there didn't seem to
16 be any problems with the employees or -- that I know of --
17 it was -- when the big problem was, was probably during the
18 war when the country was over-run by people. I don't
19 think it bothered too much along the highway because they
20 never stayed too long in one place. They're on the move
21 and they build twelve hundred miles of road in nine months.
22 They had to be on the move. They didn't have time to dally
23 around anywhere.

24 MR. PHELPS: I wonder if you
25 could just for the record, just state your name too so
26 it appears in the transcript. I don't think you gave your

1 name. Could you just state your name for the record.

2 MR. KARMAN: Ed Karman.

3 MR. PHELPS: Thank you.

4 MR. CHAIRMAN: Thank you very
5 much Mr. Karman. Could I ask if anyone else has a view to
6 state or --

7 MR. JACQUOT: Mr. Lysyk?

8 MR. CHAIRMAN: Yes sir?

9 MR. JACQUOT: I would like to
10 talk about the building of that eight inch line too from
11 Haines because I was there when that happened.

12 MR. CHAIRMAN: I'd be very
13 pleased to hear from you sir.

14 MR. JACQUOT: I would like to
15 further say that I'll be making another presentation later
16 on in Whitehorse, but as a private citizen, I want to express
17 some of the problems that I had with the building of the
18 eight inch line.

19 MR. CHAIRMAN: I'd be pleased to
20 hear from you if you'd come forward please.

21 MR. JACQUOT, Sworn.

22 MR. JACQUOT: My name is Joe
23 Jacquot. I happened to be born and raised in this country.
24 I was blessed with seeing not only the Alaska Highway go
25 through, but I saw the four inch line come through. I've
26 seen problems with that four inch line in leaks.

1 I saw the building of the eight
2 inch line and there was many problems in the building of that
3 eight inch line. I was even hired by -- at the completion
4 of the building of that line -- to help clear the ice that
5 was pumped through that line. I can't disagree with Mr.
6 Karman before in his statement, saying that there was no
7 leaks, but I'd like to bring your attention to the fact that
8 when they first tried to clear the line, they pumped salt
9 water from Haines and they did this in October and on the
10 18th of October in 1955 -- I believe it was the year -- '55
11 -- we were hired to help clear the eight inch line.

12 We went in at about Mile Post 1142
13 in around that area and first found an obstruction in that
14 line. At that time, we had very little equipment, mainly
15 because the personnel that were working on that line were
16 still of the old four inch line and all we had was four by
17 fours and whatnot.

18 We tapped that line and tried to
19 trace where it was frozen. I must say at that time, it was
20 forty-eight below.

21 MR. CHAIRMAN: On the 18th of
22 October?

MR. JACQUOT: That's right. We
worked around the clock to try to clear the ice from that
line. We had cut the line about five or six times in that
month and a half. At each time we cut that line, it was

assumed that there was about six hundred gallons of fuel -- I mean six hundred barrels -- was on that right-of-way, in that line. Some of the effects that that has had on the wildlife, have been really detrimental because in one of the areas where the line was cut in many places, was between the Donjek and the White Rivers and in some of those lakes, muskrats and the beaver have never come back.

When the birds came in the spring-time, they landed on these oil slicks in these lakes. There was many detrimental effects along those lines -- along that line.

Approximately at the same time when the four inch line -- and this was -- the eight inch line was put in mainly because of the Korean War to put forward a supply of jet fuel to the Americans. They still had a standby line -- the four inch line -- and it so happened that at that time when the four inch line was being shut down -- they shut it down -- they had a break at the Duke River and Alaska is -- Fairbanks, Alaska, the elevation is about four hundred feet and in our particular area around Burwash, it was -- it's around eighteen hundred feet, so what actually happened was, when this four inch line broke at the Duke River, it sucked all the water right out of the Duke River, up until just about the mile post where the pump station is now, I think that's 1128.

That was frozen and broke in many

1 places. Being that we didn't have equipment while we were
2 working on this four inch line, we had to get the original
3 contractors or the pipeline people did, to come back in and
4 that was Williams Brothers, and they brought side booms and
5 everything and very effectively went through, but the only
6 thing that thawed that line out was actually -- they didn't
7 clear that line until April.

8 Now, I'd like to tell these people
9 here that I saw a pile of ice that came out of that line
10 in April that would really fill this room up and it came out
11 just like stove wood, -- stove wood lengths - and it just
12 broke off. These were eight inch pieces of ice and with
13 that ice, there was different types of jet fuel, there were
14 -- whatever was under pressure at that time. I believe
15 at that time -- if my memory serves me right -- we were
16 running around seventeen hundred pounds pressure and what
17 we would do is to find where the obstruction was and then
18 go back and try to get ahead of the obstruction, build a
19 fire and release this stuff, but the soft water core acted
20 -- is very much like a wood worm -- so we in effect, did
21 never know where the obstruction went. I think that it
22 went right from the obstruction -- happened right from the
23 border around in about 1202 maybe, perhaps on the other
24 side, but all the way back down and right into -- along the
Haines Road.

26 Now, I would like to say, you know;

it was -- a lot of people figure that there wasn't very much environmental damage going on there, but it was only up until about four years ago that people could start eating the greyling that ran up from Swede Johnson Creek, because this area is -- has permafrost in it, it has muskeg in it and it also has a lot of moss -- mossy area and it acts as a sponge.

The only time that you do get a run-off -- I mean the only time that that would get any seepage out of the ground is when you'd get an extreme run-off. I've known this from experience because we had a gas tank that leaked and we found out that there was a leak in the gas tank and about ten years later, the gas was still in the ground and this was right in Burwash Landing there.

The four inch people were getting desperate in Fairbanks, so we were asked at that time to see if we could clear the four inch line and we went right to the Donjek River -- Williams Brothers then took over the big line -- we worked on the -- and I think there was about a two week difference in accomplishing both feats. We completed getting the four inch line into operation and making sure that those people did indeed have their jet fuels and whatever they needed, pumped to that four inch line, but at the same time, there was a lot of pipe that had to be lifted -- there was pipe that was still left of the four inch along those lines, even though it's been picked up.

J. Jacquot

1 I think that's just about all I
2 have to say. I would welcome any questions if you might have.

3 MR. CHAIRMAN: Thank you very
4 much Mr. Jacquot. I take it the plugging of the line was
5 caused by the freezing of the saline solution you mentioned.

6 MR. JACQUOT: Yes.

7 MR. CHAIRMAN: But then -- and
8 you mentioned the jet fuel was moved through the pipeline.
9 Was other --

10 MR. JACQUOT: Yes, they can very
11 easily do this and it was done. We were at that time, we
12 were taping the eight inch line to get diesel fuel, which
13 was I believe, the first thing that was pumped through to --
14 so that we could have fuel to start these fires so that we
15 could move this ice in the line.

16 In about April, as the line came
17 into being, I believe that there was one fuel right behind
18 the other. It was -- they had supreme gas. That was the
19 next thing. I think there was that right behind it, but
20 the first fuel was jet fuel and they might have had diesel
21 in between the jet fuel and the gas, I don't know, but I know
22 that the -- whatever the order was, that's how it was, you
23 know, I worked on that line.

24 MR. CHAIRMAN: All right, thank
25 you very much Mr. Jacquot.

26 MR. JACQUOT: I'd like to also say,

1 Mr. Lysyk, that I'm going to be making a presentation later
2 on in Whitehorse, I believe, and I'll prepare this. I'm not
3 giving the impression here that I'm, you know, against the
4 pipeline or for the pipeline or whatever, but I'd just like
5 to point out that there was a few half truths that were said
6 today. I am quite concerned and I was sitting in the back-
7 ground and I thought I'd better come forward and let -- express
8 my opinion.

9 MR. CHAIRMAN: Well, thank you for
10 doing that and we look forward to hearing from you again in
11 Whitehorse.

12 Ladies and gentlemen, this might be
13 an appropriate time to take a coffee break of ten or fifteen
14 minutes and then we'll resume.

15 (PROCEEDINGS ADJOURNED).
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1 Haines Junction, Yukon Territory

2 June 3rd, 1977

3 COMMUNITY HEARING

4 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT).

5 MR. CHAIRMAN: Ladies and gentle-
6 ment, I wonder if we might now resume the proceedings. I'd
7 ask if anyone is ready to come forward with a statement or a
8 question.

9 MRS. ERNIE WATSON, Sworn.

10 MRS. WATSON: My name is Mrs.
11 Ernie Watson and I'd like to present a brief which was pre-
12 pared by my father-in-law, Ron Watson. It's very informative
13 and maybe I can pass out a copy for each of the members of
14 the Board.

15 MR. CHAIRMAN: Thank you Mrs.
16 Watson, whenever you're ready.

17 MRS. WATSON: Dear sir. I am
18 attaching an appendix with my brief. I felt that since I am
19 one of a very few who have had an association with all the
20 pipelines that have operated in Yukon, there might be some
21 information that would be of interest to you and your members.

22 You may use it as you wish. I
23 regret that I will not be in the Yukon while your Inquiry is
24 at Haines Junction. I wish you and your committee a success-
25 ful experience throughout your hearings. Yours truly, the
26 original was signed by R.C. Watson.

1973

Mrs. E. Watson

1 First of all, I'll read you the
2 appendix that accompanied his brief.

3 Mr. Chairman, members of the Board,
4 I would like to introduce myself. I am Ronald Watson, a Yukon
5 resident since 1947. Because of other commitments, I will be
6 unable to present an oral opinion while at your committee
7 hearings in Haines Junction, therefore, I have prepared this
8 brief for your consideration.

9 I am retired after twenty-four
10 years with the U.S. Army as a civilian employee. All my
11 employment in the Yukon involved pipelines and I have worked
12 on all five pipeline systems that have operated in the Yukon.
13 My retirement was due to the closure of the Haines-Fairbanks
14 Pipeline in 1971.

15 Through 1947, I worked on the
16 removal of the Standard Oil Refinery in Whitehorse. I spent
17 the winter of 1947-48 working on the removal of the crude oil
18 line from Norman Wells to Whitehorse. In 1948, the U.S.
19 Army reactivated the three inch Canol Pipeline from Whitehorse
20 to Fairbanks and I accepted employment with them. I worked
21 on the removal of the motor fuel pipeline to Watson Lake as
22 well as the removal of all pump stations and their related
23 equipment installed along this section of the route.

24 The three inch line north of
25 Whitehorse originally had eight pumping stations located in
26 the Yukon. When the pipeline was reactivated, only two of

1 these stations were utilized. These were Station "A" located
2 near Whitehorse and Station "E" located at Mile 1080 on the
3 Alaska Highway. During 1948 through 1951, all the remaining
4 stations and their equipment was removed by the U.S. Govern-
5 ment. The three inch line was used until 1956 - 57. It was
6 sold in the early 60's and removed from the right-of-way by
7 the contractors.

8 The four inch diesel fuel line from
9 Skagway, Alaska to Whitehorse was operated by the U.S. Govern-
10 ment from 1948 to 1957. This line also supplied diesel fuel
11 to the Yukon by agreement with the U.S. Government and the
12 White Pass and Yukon Petroleum Division. The American Govern-
13 ment turned the line over to the Government of Canada and
14 they in turn passed the line to White Pass who continue to
15 operate this pipeline today.

16 The Haines-Fairbanks Pipeline was
17 built in 1954 to 55. I was stationed at Mile 1026, Station
18 2A as Station Foreman with a staff of some seven to ten
19 employees. We had the maintenance responsibility for most
20 of the Yukon section of the pipeline. All our employees were
21 Yukon residents, mainly chosen from employees of the Highways
22 Department. These people were familiar with living in isolated
23 areas and made exceptionally good employees.

24 They were given on the job training
25 and were attracted to the positions by very good working
26 conditions and higher wage levels than were currently paid in

Mrs. E. Watson

1 Canada. There were forty-four to forty-eight employees
2 working within the Canadian section of the pipeline. The
3 pipeline pumped jet fuel, Aviation gasoline, motor fuel and
4 diesel fuel. From 1955 to 1963, it had a pumping capacity
5 of approximately five hundred and fifty barrels per hour.
6 This was increased to about a thousand barrels per hour in
7 1963 when three new stations were added in Canada.

8 All of the pipelines built in
9 Canada by the U.S. Army were above ground. It is noteworthy
10 that all sections of the Haines-Fairbanks Pipeline through
11 American territory were buried. There were certainly benefits
12 both operational wise, because thermal reactions was minimized
13 and maintenance wise because of people shooting holes in the
14 line which occurred three times and damage by equipment
15 walking across the line which caused no breaks, but many
16 repairs were required because of this type of damage.

17 However, the buried line in the
18 U.S. sections was not coated or wrapped and despite Cathodic
19 protection, by 1969 much of the first thirty-five miles from
20 Haines required replacement. There were many ruptures on
21 the southern section caused by electrolysis. Only one
22 instance occurred in the Yukon, this in 1968 at Mile 129 on
23 the Haines Road. In May of 1968, a small rupture occurred
24 during a pumping cycle and was not noted until shutdown when
25 a pressure drop was noted immediately and the break found
26 and isolated by closing block valves ten miles apart. The

1 main damage had already been done as the break was located on
2 a side hill. Much of the area below the break was perma-
3 frost and the diesel fuel ran into the Dezadeash Lake.

4 The American Government quickly
5 took corrective action. The lake was swept with straw and
6 oil slick booms and burnt on the north end of the lake. We
7 kept a crew busy for almost a year at this site. Very little
8 environmental damage occurred. Only two or three birds were
9 found and a few fish that had died as a direct result of the
10 spill. One good thing came as a result of the spill. Until
11 this time, the National Energy Board of Canada were not
12 concerned or unaware that a military pipeline ran through
13 the Yukon.

14 When the matter of the break was
15 raised in the House of Commons, a representative of the
16 Energy Board was dispatched to the scene. He soon found out
17 that the Board had no authority over the military pipeline
18 and were powerless to bring the line under their jurisdiction
19 until 1974. As a result, we attended a meeting in Ottawa
20 with the National Energy Board, U.S. Army and the U.S. State
21 Department in 1970 and were told that before a new agreement
22 was signed with Canada, the pipeline would have to be under
23 the jurisdiction of the National Energy Board.

24 Only one other serious matter
25 occurred with the pipeline that could have caused considerable
26 environmental damage. This occurred during 1955 at the original

1977

Mrs. E. Watson

1 takeover from the contractor, Williams Brothers in September
2 by U.S. Corps of Engineers. The pipeline had been hydro-
3 statically tested by the contractor. His personnel and some
4 U.S. employees had operated the line for a considerable test
5 period and there were no problems.

6 The line was then turned over for
7 normal operation. Approximately a week after, the line had
8 to be shut down because of a late tanker arrival in Haines.
9 When startup occurred a week later, the temperature had
10 dropped well below freezing. The suspended ice crystals had
11 dropped to the bottom of the line and frozen. The high
12 concentration of crystals in some water, left from the hydro-
13 static tests, soon concentrated and caused a line blockage.
14 The line was not cleared until May the following year, despite
15 the fact that twenty-seven cuts were made to blow the ice out
16 of the line. All through this period, there were no Canadian
17 officials involved in environmental protection.

18 To the credit of U.S. personnel,
19 every effort was made to avoid damage. To my personal
20 knowledge, only one creek, Swede Johnson Creek, suffered from
21 pollution by product, and it took several years before the
22 creek returned to normal for fishing.

23 As a result of the 1968 break, the
24 U.S. undertook to toboscope the pipeline to determine its con-
25 dition. Only one area in the Yukon required attention. This
26 at Klukshu River at Mile 118 on the Haines Road in the Yukon.

1978

Mrs. E. Watson

1 The U.S. Government then replaced a twenty mile section with
2 plastic coated pipe. This area covered the Dezadeash Lake
3 and the Klukshu River water shed.

4 The overall condition of the
5 southern section in Alaska required that approximately forty-
6 two miles of line required replacement. The cost estimate
7 was thirteen million dollars. This fact, together with
8 changing the main staging area from Eillison Airforce base,
9 Fairbanks to Elmondorf Airforce base in Anchorage and the
10 installation of an eight inch pipeline from the Port of
11 Whittier to Anchorage, were the main causes of the shutdown
12 of the Haines-Fairbanks Pipeline in 1971. Product was
13 removed from the line by injection of a batch of alcohol and
14 water, followed by pipeline pigs (rubber scrapers). The line
15 was then purged with air pressure and completely cleared and
16 it remains so today.

17 The mainline pumping station equip-
18 ment has been preserved and the stations mothballed. At
19 present, they have been turned over the the General Service
20 Administration of the U.S. Government. At the time of the
21 shutdown, the section from Haines Junction to the border was
22 in good condition. The northern section -- border to Fairbanks
23 -- remains intact and the line could be used to back pump
24 from Fairbanks to Haines Junction by changing the manifolding
25 in the existing stations.

26 One feature of the operation of the

1979

Mrs. E. Watson

1 Haines-Fairbanks Pipeline, as it would have affected Yukon
2 residents, has been of concern to me. The agreement between
3 Canada and the U.S. allowed for products to be taken off at
4 Haines Junction and used in the Yukon. A tie-in was originally
5 installed at Mile 1026 and we actually pumped back to White-
6 horse through the three inch line.

7 Yukon residents could have had the
8 benefits of cheaper products for over fifteen years. You
9 may draw your own conclusions as to why this was never done.

10 For your own information, the
11 military cost per gallon of fuel from Seattle to Haines by
12 tanker, thence by pipeline to Fairbanks, was three cents per
13 gallon. This being transportation costs. Included in this
14 estimate, was the tanker charges, pipeline personnel, plus
15 headquarters staffing and the operational and maintenance
16 costs of all facilities.

17 I fully realize that this may not
18 be of concern to your Inquiry, however, I thought that it
19 might indicate that many Yukon residents are familiar with
20 pipeline systems, particularly along the north Alaska High-
21 way and their opinions would certainly be more meaningful
22 as a result.

23 That forms the appendix. I would
24 maybe now like to present the brief on the proposed forty-
25 eight inch natural gas pipeline.

26 MR. CHAIRMAN: Yes, if you would

Mrs. E. Watson

1 please, Mrs. Watson.

2 MRS. WATSON: There can be little
3 doubt that some adverse social effect will result, should
4 the applicant's pipeline proposal be accepted. Any major
5 construction project has many undesirable side effects on
6 small local communities, in many cases because of the fact
7 that we are not often subject to major construction activities.
8 Many Yukon communities have barely enough services to properly
9 take care of the needs of their own residents.

10 For these reasons, every effort
11 should be made by the applicant, the Federal and Territorial
12 Governments, to ensure that insofar as possible, every
13 effort is made to minimize the problem that will result by
14 such an increase in our population.

15 We, in the Haines Junction area,
16 have experienced several fairly large construction activities
17 over the past twenty-three years and these have given us the
18 opportunity to view this proposal with some knowledge and
19 understanding of its implications. Haines Junction began
20 to develop as a community shortly after the end of the con-
21 struction of the Alaska Highway, mainly to provide services
22 for travellers, highway maintenance, CNT and Canol Pipeline
23 work crews.

24 It has grown from one business in
25 the mid '40's to a fairly large community as highway commun-
26 ities go, in 1977. Several activities contributed to our

Mrs. E. Watson

1 growth, these being the Federal Government Experimental
2 Station at Mile 1019, the Haines-Fairbanks Pipeline at Mile
3 1026, the CNT Microwave, the Alaska-Yukon Refinery at Haines
4 Junction, Kluane National Park and the Aishihik Power Devel-
5 opment.

6 Most of these projects had some
7 effect on Haines Junction as a community. They gave our
8 small community a taste of the boom and bust or ups and
9 downs that result from these developments. The refinery
10 shut down, the experimental farm was closed and the pipeline
11 was shut down. All of these had a marked effect on the social
12 and economic life of Haines Junction. I cite these instances
13 to assure members of the Inquiry that we have the necessary
14 background to be able to assess the applicant's proposal on
15 its merits at least as far as it applies to our community.

16 On the positive side, each one of
17 these activities assisted the community to develop. They
18 brought additional permanent residents who required housing
19 and other services, they enabled the residents to build their
20 own community club and to provide recreational and social
21 activities for all residents of the area.

22 Additional people enabled us to
23 establish our own local improvement district and to provide
24 water and sewer services to our town. Business was able to
25 expand as a result of permanent residents and our community
26 became less dependent on Whitehorse for supplies and materials

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1 and government provided additional services to meet the needs
2 of our residents. While we still lack many of the services,
3 we now at least have a good solid base to develop from. With
4 reasonable lead time, I feel that our community could respond
5 to the needs that such a proposal as the pipeline would
6 require.

7 During the past nine months, our
8 community has had two public meetings with Foothills rep-
9 resentatives and one public exhibit of the type of install-
10 ations that would accompany the development. We have had
11 the opportunity to question the pipeline representatives on
12 all aspects of this proposal that would affect our area.

13 I have been encouraged by the fact
14 that for the first time, local residents are being given the
15 opportunity to fully discuss the results of a major con-
16 struction development in their area. From the applicant's
17 schedule, it would appear that the Haines Junction and Teslin
18 sections would be scheduled for construction during the
19 summer of 1979.

20 The forecast for employees indicate
21 that 2,150 will be on the project at that time. This would
22 indicate that 1,075 workmen would be allotted to the two
23 construction sites located near Haines Junction and Destruc-
24 tion Bay. Splitting these workmen evenly the two sites would
25 indicate that approximately five hundred and fifty men would
26 be located near Haines Junction. From figures I have been

Mrs. E. Watson

1 able to obtain, this would be approximately twenty-five to
2 thirty per cent more than were employed at the hydro develop-
3 ment during its peak period. To my knowledge, there were no
4 serious social problems that affected Haines Junction during
5 this period. The economic benefits to Haines Junction were
6 very much appreciated by local businessmen.

7 Foothills have indicated that they
8 will establish canteens in each of their work camp sites. I
9 feel that this is a good move. It will give the contractor
10 an opportunity to police his own operation and to provide
11 a place for his employees to relax after the work day, without
12 having to travel to local beverage outlets if they wish to
13 have a drink. There will be some who do use the local
14 establishments, but previous experience has indicated that
15 the local business places exercise the same control over these
16 employees as they do over the local people.

17 I feel that the applicant should
18 make every effort to have as many summer recreational activities
19 as possible, available for his personnel at the camp sites,
20 both indoors and outdoors -- softball, volleyball, horseshoe
21 pitches et cetera -- are just a few of the many activities
22 that would provide for some recreation and relaxation to the
23 employees.

24 No canteens were provided during
25 the Haines-Fairbanks pipeline construction, nor were any
26 recreational activities available. The Hydro project had some

Mrs. E. Watson

1 indoor recreational activities that surely kept many of the
2 employees occupied after duty hours.

3 During previous construction
4 periods, the hotels, motels and lodges along the route,
5 certainly increased their liquor sales, but no serious
6 problems resulted. The R.C.M.P. at Haines Junction had a
7 staff of two during the winter months and three during the
8 summer. They covered the Haines Road and North Alaska High-
9 way area. No additional staff were required during the
10 construction periods. Their caseload did not increase, other
11 than would normally be expected by any change in population.
12 As a Justice of the Peace in this area for many years, I can
13 speak with some knowledge and experience in this regard.

14 One area of concern to me is the
15 lack of medical facilities along the North Highway. There
16 is one health station at Haines Junction staffed with one
17 nurse. One trailer unit at Destruction Bay and Beaver Creek,
18 one nurse covers these latter two stations. Any serious
19 injury or medical problem requires evacuation to Whitehorse.
20 Beaver Creek, two hundred and eighty-five miles from White-
21 horse, has an ambulance service maintained by the Department
22 of Public Works. Serious medical cases are evacuated by air.
23 With such a large work force as proposed by the application,
24 it will be essential to provide additional services.

25 Prior to electricity being made
26 available in Haines Junction during the mid '50's, most

Mrs. E. Watson

1 people in the area used wood as a heating fuel. When Yukon
2 Electric installed its plant, most residents switched to oil
3 fired furnaces as this was a much more reliable and efficient
4 heating system. Today, most of our community relies solely
5 on diesel fuel for heating. With the increase in the costs
6 of heating fuel over the past few years, it is becoming very
7 costly. Many business places find it necessary to close
8 during the long winter season, as they cannot meet the expense
9 during the slack business season.

10 A considerable number of people
11 are reverting and using wood, at least to supplement their
12 heating system. There are, however, some serious implications
13 in using wood. Insurance companies are very reluctant to
14 insure premises that use wood as a heating fuel. This is
15 causing considerable difficulty to many people whose invest-
16 ment requires that he be insured.

17 Wood is indeed in plentiful supply
18 along the North Highway. It has the added advantage that many
19 people can get it themselves, however, if a person was required
20 to buy wood at over fifty dollars per cord, it would be as
21 expensive as oil and not nearly as convenient. Many of our
22 homes now have water and sewer and require a reliable heating
23 system to prevent freeze-up.

24 The applicant has stated that
25 natural gas will be made available to all communities along
26 the highway at the same price as that paid at the Alberta

Mrs. E. Watson

1 border, should the pipeline proposal be granted. To me,
2 this is one of the most appealing features of the pipeline
3 proposal. It would provide an assured supply of heating
4 fuel at rates comparable to southern Canada. To my
5 knowledge, this would be the first time that Yukoners had
6 equal rates to southern Canadians.

7 The applicant has stated that the
8 distribution of natural gas could be by local business
9 people, companies, or by the municipalities if they should so
10 choose. To me, this is another plus in favour of Foothills
11 application. I cannot but look with favour on natural gas
12 being made available to all Yukon communities at the same
13 rates.

14 In the past, almost all small
15 industry in the Yukon has been limited by the fact that a
16 reasonably priced source of energy was unavailable. Should
17 natural gas be made available, all Yukon communities could
18 look forward to establishing an industry and to be competitive
19 with the rest of the territory. I certainly realize that
20 this would not happen all at once, but it would allow
21 communities and businesses to plan for the future with the
22 assurance that there was a supply of energy available, should
23 they wish to take advantage of it.

24 The establishment of small industries
25 in local communities could do much to provide permanent year
26 round employment to our people. I'm not sure whether the

Mrs. E. Watson

1 members of the Inquiry are aware that the Government of Yukon
2 provides an electrical equalization grant to all residents
3 of the territory that own their own home. In my case, this
4 grant amounts to about twenty-eight dollars per month during
5 the winter. I think business establishments are granted a
6 rebate of around fifteen per cent. The YTG has stated that
7 this fund will be depleted in about two years and that no
8 alternate source of revenue has yet been established to
9 replace it.

10 This has to be but one more reason
11 to look favourably at the possibility of having natural gas
12 being made available by the Foothills proposal to build a
13 natural gas line through Yukon.

14 The applicant's proposal to establish
15 pumping stations at Haines Junction and Beaver Creek with
16 permanent employees would be most welcome to the business
17 and social life of our communities. To some members of the
18 Inquiry, twenty-two additional families may not mean much,
19 but to small communities, their presence would certainly
20 have a very beneficial effect in almost every aspect.

21 The additional revenues that would
22 result to the Territorial Government would most surely assist
23 the Yukon. The same could be expected by local government
24 agencies. No other project in the Yukon's history offers so
25 much that would benefit the territory and all its people.

26 The applicant's proposal to closely

Mrs. E. Watson

1 follow the Alaska Highway has many advantages over any other
2 of the proposed pipeline routes. Firstly, it closely follows
3 the already established highway route and as such, would do
4 little to damage the environment along the vast majority of
5 the route.

6 The Canol Pipeline ran to Watson
7 Lake in the southern Yukon and the North Canol line ran to
8 the northern Yukon boundary at Mile 1220. The Haines-Fair-
9 banks Pipeline ran from Haines Junction, also closely follow-
10 ing the highway corridor. The CNT land line right-of-way
11 also followed the Alaska Highway and in many cases, still
12 does.

13 During the past, there has been
14 over eight hundred and fifty miles of pipeline right-of-ways
15 through the Yukon that has had the actual pipe removed and
16 the facilities and stations either sold or removed. I have
17 had the opportunity over the past many years to fly over
18 these routes.

19 In the case of the Watson Lake
20 section of the Canol, and the North Alaska Highway section,
21 it would be very difficult to determine that a pipeline
22 ever existed or that there had been twelve pumping stations
23 located along those two routes.

24 With the exception of some abandoned
25 vehicles and some of the communications line, it would also
26 be difficult to tell that a pipeline was in place to Normal

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1 Wells. I fully realize that none of these pipelines required
2 the disruption to the local environment that the applicant's
3 proposal will entail, however, it should also be realized
4 that they required considerable clearing of timber and
5 removal of cover to provide a suitable right-of-way. The
6 fact that this proposal will require excavation to bury the
7 pipe, will certainly cause an unsightly mess during the
8 trenching and pipe laying. This is unavoidable if the project
9 is to proceed. During the first few years, after the line is
10 covered, the scar will certainly be very evident.

11 I have had the opportunity to
12 observe other buried pipelines, in both Canada and the U.S.
13 and in all cases, it is almost unnoticeable after reseeding
14 and several years of regrowth. From my experience with right-
15 of-ways through the Yukon, I have no doubt that the same would
16 apply. During the years of operation of the Haines-Fairbanks
17 line, it was necessary to keep equipment and men working every
18 year to ensure that the regrowth did not prevent access to
19 the right-of-way.

20 In many areas of the Yukon, it was
21 necessary to apply defoliant to keep the right-of-way clear.
22 This was always done under supervision of the Department of
23 Fisheries and Forestry.

24 To my mind, the applicant's proposal
25 will not do near the damage to the environment that the
26 construction of the Alaska Highway did. There was little or

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1 no concern for the environment at that particular time and
2 yet no real damage was done to the territory. Indeed, it
3 was the best development the Yukon has ever had. I find it
4 very difficult to accept the fact that any serious damage
5 could result to the Yukon as a result of a pipeline down the
6 highway corridor.

7 Today, we have the Department of
8 the Environment people in the Yukon who are constantly on
9 the alert to ensure that local residents abide by all the
10 regulations that are now law. I feel confident that our
11 governmental agencies responsible for the control of the
12 environment, fisheries and wildlife, are both capable and
13 equipped to ensure that their regulations are followed and
14 that the pipeline people will co-operate to the fullest
15 extent.

16 One of the things that I often
17 notice as I drive through parts of southern Canada is the
18 Hydro Transmission lines and their right-of-ways. I consider
19 these unsightly but also realize that at the present time,
20 they are very necessary. I do not believe that a pipeline
21 right-of-way through the territory would be so unsightly or
22 evident as to bother residents or visitors in our territory.

23 Secondly, the fact that this is a
24 natural gas line proposal and not a multi-products or an oil
25 line, that any possible damage that might occur as a result
26 of a rupture, would not have any real or serious pollution

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1 factor.

2 The only danger would be from
3 explosion or fire and with a buried line, I feel sure that
4 such possibilities are quite remote. Fire could cause damage
5 to wildlife and while I do not minimize the effect this would
6 have, I also feel sure that precautions can be taken to keep
7 this danger to a minimum.

8 I have heard concern expressed that
9 the noise from the compressor stations would affect the
10 wildlife in the area. During my years on remote pumping
11 stations in the Yukon, we always had to take precautions to
12 ensure that animals were prevented from entering the compound.
13 I personally many times, have observed foxes in front of the
14 heat discharges from our electrical generation plants, where
15 the noise level was quite high at such close range. I do
16 not think that this would deter or even seriously annoy many
17 animals or birds.

18 Once again, this is what makes
19 Foothills' proposal to follow the highway corridor so much
20 more acceptable. With few exceptions, there would be little
21 more damage to the wildlife, than has already occurred by
22 the building of the highway. I know of no area in the
23 immediate vicinity of Haines Junction that the pipeline would
24 either damage or where wildlife would be seriously affected.

25 During the operation of the Haines
26 -Fairbanks Pipeline, we had many occasions to work through the

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1 Sheep Mountain area on major relocations of the eight inch
2 pipeline that required heavy equipment and pipe layers. Our
3 activities did not seriously disrupt the sheep. They would
4 move away from the immediate area during the work day and
5 be there when we came back in the morning. While we were
6 given special permission to carry fire arms while "walking"
7 the pipeline, I am not aware of any instance where this
8 privilege was abused.

9 Some concern has also been
10 expressed because of possible damage to the pipeline because
11 of earthquakes. To my knowledge, only once in my time in
12 the Yukon has a tremor been felt. This was during the
13 Alaska quake that did such damage to Anchorage, Alaska. This
14 quake did no damage to the Haines-Fairbanks Pipeline, even to
15 the buried section running through Alaska, where the effects
16 of the quake were much more pronounced.

17 Once again, the fact that this
18 proposal is for a natural gas line, I cannot take the earth-
19 quake very seriously.

20 Considerable concern has been
21 expressed that the pipeline proposal, should it be approved,
22 would seriously affect the Yukon Indian people. At one time,
23 not so long ago, this may have been true, but today, our
24 young Indian people are as capable as their White counter-
25 parts to take advantage of the opportunities that may become
26 available should the project be approved.

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1 In many cases, much more so. The
2 Indian Affairs Department supplies the funding to native
3 groups to participate in almost every endeavour that they
4 wish and feel will assist their people. Young white residents
5 still have to go to the banks or to the Federal Industrial
6 Development Bank to obtain funds to take part in private
7 enterprise. This is a fact that is often overlooked in the
8 emotional part of the issue.

9 In the matter of the Indian Land
10 Claims, this is a political issue that is a responsibility
11 of the Federal Government. In my opinion, the land claims
12 should have no bearing on the feasibility of establishing
13 whether the Alaska Highway pipeline proposal is a viable
14 alternative to other suggested pipeline routes.

15 Should this route be chosen, the
16 land claims can be settled when the claims of the Indian
17 people have been clearly defined and accepted by the Canadian
18 Government.

19 The question of a "Yukoner" has
20 often been raised. I feel that anyone qualified to vote in
21 a Territorial election should qualify as a Yukon resident
22 for employment purposes on the pipeline. We make exception
23 when it comes to appointing commissioners! I think the
24 outside hiring policy proposed by the applicant, will do much
25 to alleviate the transient worker problems. The local hire
26 first is also appealing.

1 Should the applicant proposal be
2 approved, then the success of the project is going to depend
3 on the communications established between the applicant, the
4 prime contractors and governments. The absolute lack of
5 communication between Federal and Territorial Governments is
6 historic, both at the top and through many of the lower levels
7 as well. There are going to be many government agencies
8 that the applicant and the contractors are going to have to
9 deal with and they cover just about every field of government.

10 In order that the project proceed
11 with adequate control by government over the environment,
12 wildlife, manpower, et cetera and yet allow the applicant
13 and his contracting people to operate with a maximum efficiency,
14 it is going to be absolutely essential that some on-the-spot
15 authority be established in the Yukon. This cannot be some-
16 one in Ottawa. While it is no doubt accepted that this is
17 where the power lies, it would be disastrous if there was not
18 someone appointed that would be located on site with the
19 authority required to make decisions.

20 What I am suggesting is that a
21 Commissioner or Czar be appointed to co-ordinate all these
22 activities and allow the project to proceed without getting
23 all bogged down by well meaning bureaucrats and empire builders.
24 There could well be several of these types of co-ordinating
25 levels, but no doubt the most essential would be the group
26 that was responsible for the right-of-way and the actual pipe-

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1 line and station construction phases.

2 I also feel that the YTG should
3 have a high profile at any level as it is responsible for
4 some of the land use, taxes for fuels and licencing. So
5 often in the past, Crown Corporations and other governments
6 tend to bypass YTG who are then left to pick up the pieces
7 in order to abide by their legislation.

8 One area of concern expressed by
9 many people in this area is the possible overlapping of the
10 two large construction projects, namely the pipeline and the
11 Alaska Highway paving. From my observation and information,
12 the Haines Junction-Burwash section will not be affected by
13 the Highway Paving Program, however, it is going to be
14 essential that these two activities are also co-ordinated
15 and have a high degree of top level communication.

16 To date, the applicant has done a
17 good job of informing local communities, people and local
18 government agencies as to the pipeline program and its effects.
19 The company has outlined areas where local businessmen can
20 participate if they so desire and in general, I feel its
21 representatives should be commended in their efforts to keep
22 the public informed. Certainly, nothing like this has ever
23 happened in the Yukon before.

24 During the construction of the
25 Haines-Fairbanks Pipeline, the Federal Government appointed
26 one man, Magistrate A.C.L. Adams as pipeline co-ordinator.

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1 Mr. Adams had no real on-the-site authority and did not have
2 representatives at the project. He was largely responsible
3 for paper flow between governments and their agencies. Local
4 forestry and fisheries representatives on occasion, made
5 inspections in areas of concern to them.

6 In actual fact, the U.S. Government
7 Corps of Engineers controlled the project. To their credit,
8 they ensured that the terms of the U.S.-Canadian Easement
9 agreement were carried out and observed by U.S. personnel and
10 Prime and Sub-contractors on the actual project.

11 There no doubt will be some social
12 problems as a result of a pipeline being constructed through
13 the Yukon Territory. To what extent these problems affect
14 the Yukon, will depend a large degree on the amount of pre-
15 planning and co-operation that is done by governments and the
16 applicant.

17 I personally have difficulty
18 accepting the point of view that Yukon residents would react
19 any differently than would other residents of Canada under
20 similar circumstances. Yukon communities along the highway
21 have for many years, been used to a variety of projects, both
22 large and small, and have not fared any worse than their
23 counterparts in Northern Alberta or British Columbia.

24 Foothills' proposal would require
25 that more workmen would be involved than in any project other
26 than the Alaska Highway. It should also be recognized that

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1 the applicant proposes to schedule the program over a five
2 year period, from 1979 to 1983. It should also be noted and
3 taken into consideration, that an estimated forty thousand
4 workmen and military were involved during the construction of
5 the Alaska Highway and its ancillary projects.

6 This, during a two year period
7 in comparison, makes the applicant's project look small.
8 With today's technology, communication and the consideration
9 given for the welfare of the community and its people, this
10 project should not have any serious or lasting effects that
11 would be to the detriment of Yukon people.

12 During the applicant's visit to the
13 community, there was very little opposition expressed in
14 public to the pipeline proposal. In my personal conversation
15 with a great many local people, I have not found any real
16 opposition to the proposal. Business people almost whole-
17 heartedly welcome the project. Environmentalists and wildlife
18 people are justifiably concerned that every precaution should
19 be exercised to ensure that the environment and wildlife are
20 protected.

21 I personally agree that every con-
22 sideration be given in this regard and feel confident that
23 our government will ensure that the applicant and his con-
24 tracting personnel will be continually supervised to see that
25 proper procedures are followed and protection maintained
26 throughout the project.

1 There is a continuous pressure
2 exerted by Native groups to ensure that land claims are
3 settled. In my opinion, this is a responsibility of the
4 Federal Government and should not be used to hold up the
5 pipeline.

6 In reality, I feel that the
7 decision to build or not to build a pipeline, is purely
8 political. Whether the Government of Canada, with all the
9 information available to it, feel that a pipeline is in the
10 best interest of our country as a whole, is certainly a
11 political decision.

12 For myself as a private citizen,
13 I would rely on their judgment. For the economics of the
14 Yukon as a whole, I feel that the pipeline would be a real
15 plus for the economy of our people. The estimated three
16 million dollars in tax revenue that would accrue to government,
17 would certainly be invaluable to the economy of our territory.
18 The effect that approximately two hundred permanent employees
19 would have on our community, particularly the small ones,
20 would be very positive. The assured source of natural gas
21 at reasonable prices, would certainly be a major benefit to
22 all the territory.

23 I feel that it is absolutely
24 essential that the Federal Government appoint an on-the-site
25 Commissioner to co-ordinate all the pipeline activities and
26 with the power to act over all government agencies during the

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1 term of the pipeline project.

2 MR. CHAIRMAN: Mrs. Watson, I'd
3 like to thank you very much indeed for that presentation and
4 I hope that you will convey to your father-in-law, to Mr.
5 Ronald Watson, the fact that the Board is much obliged to
6 him for the valuable information in the brief and the
7 appendix and the suggestions also that he put forward,
8 obviously carefully thought-out suggestions as to policies
9 that might be followed in this respect.

10 I might just add, I hope he finds
11 some reassurance in the fact that although the government in
12 the respect he's mentioned, has lowered its standards with
13 respect to appointment of Commissioners. That's only so with
14 respect to one-third of this Board.

15 So, once again, thank you very
16 much indeed for that presentation.

17 MRS. WATSON: Thank you.

18 MR. CHAIRMAN: Anyone else ready
19 at this point with a submission or a question?

20 With us today and he will be with
21 us I understand, for the next few hearings in any event, is
22 the President of the Foothills Company, Mr. Blair. He in-
23 dicated to me at the coffee break, that he would be pleased
24 to make a few remarks and Mr. Blair, if this is a convenient
25 time for you, we'd be pleased to hear from you.

26 ROBERT BLAIR, Sworn.

1 MR. BLAIR: Dean Lysyk and members
2 of the Panel, my name is Robert Blair and I'm the President
3 of the Alberta Gas Trunk Line Company in Alberta and acting
4 as President to Foothills Pipe Line Company, which -- our
5 own Alberta company and the British Columbia company -- West-
6 coast Transmission have put before you as the applicant com-
7 pany.

8 I appreciate being allowed to
9 speak in an introductory way today. I will -- after going
10 to some of the community hearings with you in the next
11 several days -- I will ask to reappear at the Whitehorse
12 hearings, to join with John Burrell and others in trying to
13 complete our answers to you.

14 At the community hearings, I
15 prefer to listen and, as I did a good deal with Justice Berger's
16 hearings, but I don't want to -- in listening, I don't want
17 to unfairly sort of lay back and have it one-sided over the
18 other -- who the other people represent and perhaps if I
19 could speak for just a moment, I might make it clear how I
20 feel that the organization I feel I represent.

21 I've been building pipelines or
22 operating them since 1951 and I think in that time, we've
23 learned quite a bit about how to -- I think the industry has
24 learned quite a bit about how to manage construction. We
25 have to because we live in Western Canada and our company's
26 do, we do ourselves as individuals and we have to keep on

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1 being accountable to the areas that we work in. We're not
2 people of a kind that come and go, that come in to do a job
3 and then leave for other places in the world. There's more
4 in our nature as the franchise companies in serving British
5 Columbia and Alberta, to build and to stay.

6 In the case of the Alberta company,
7 we operate about six thousand miles of pipelines across the
8 province and we deal with about -- with over five thousand
9 different persons of one kind or another, who occupy the
10 surface of the lands that our pipelines run under, those
11 persons being ranchers or farmers or -- Hutterite communes
12 or Indian reserves, municipalities and that goes on year
13 after year and we find a way of getting along with the
14 people, both during construction and during operations.

15 We've said some things here and I
16 think we should continue to really give answers whether I'm
17 here or not -- through John Burrell, because he has the
18 responsibility and is here consistently through all of your
19 proceedings and knows the whole detail of our plans, but
20 whatever is said about our hiring practices, is backed up not
21 just by words to -- in this period of a race in the compet-
22 ition to see who shall get a pipeline franchise, but also by
23 the actual history and demonstrated activity of the pipeline
24 companies.

25 We do hire local people. In Alberta,
26 we do with mutual success, employ significant numbers of

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1 Indian people -- of Albertan Indian people -- who work in
2 our company undistinguished from other employees, simply as
3 part of our work force in operations jobs and administrative
4 jobs. The number is growing and we also employ significant
5 numbers of people from the North who are training with us to
6 take real genuine supervisory and inspecting jobs when pipe-
7 line construction begins, some of whom have been with us now
8 for over seven years, because we know you don't create a
9 highly experienced person in a quick crash program, but over
10 an extended period of time. Some first rate experience can
11 be developed.

12 At the right time, I think that
13 there are some case histories of that kind that might use-
14 fully perhaps, if you wish, be given as evidence, sworn
15 evidence to the Inquiry. A lot has been said about the
16 Alyeska Pipeline as a basis for comparison or a point of
17 reference to try to figure out how things would go through
18 here. I think we have to watch out for a lot of the things
19 that went off the track on that project through its size and
20 its consortium type of approach, but there are some other
21 pretty -- I think more valid -- points of comparison, really.

22 The one that occurs to me the most
23 is one I spent a couple years on in '56 and '57 when we
24 built the Westcoast Transmission system along the side of the
25 John Hart Highway and my own direct work was as an Assistant
26 Superintendent with a number of the crews in the front end

1 of that job we built from Quesnel up past Prince George and
2 through the Pine Pass and over toward Fort Nelson. We
3 learned a lot about building beside a highway and some of
4 the things that you should do and some of the precautions
5 you should take then. I think really, geographically, and
6 in the nature of the terrain on the way the job was managed
7 and Canadian style is perhaps more relevant to forecasting
8 what might happen with an Alcan pipeline -- an Alcan highway
9 pipeline project, than is Alyeska.

10 I don't say that at all to dissuade
11 from our having a very careful look at Alyeska but I think
12 that the comparison which has been made a great deal with
13 Alyeska, is somewhat overdone.

14 The one thing that does occur to
15 me in the atmosphere of this week to try to say very seriously
16 so as soon as I'm appearing for the first time before your
17 Inquiry, is that we can certainly see the attention focussing
18 very much more than even occurred a month or two ago on this
19 particular route and particular project.

20 It is true that there's been almost
21 an underdog situation, that the Alcan Highway route has been
22 something of an underdog competitively, in the last years.
23 It's been under some studies I know, for about eight years
24 and under intensive study for about a year and a half.
25 It is true that there's been more attention and expenditure
26 applied to this route and pipeline than to any pipeline that

1 presently exists in Canada, in terms of preliminary work and
2 survey and study, but it still has been a route and a project
3 chosen by a smaller number of companies than was the cross
4 north slope and down the Mackenzie Valley route being spon-
5 sored by Arctic Gas, which had a -- the Arctic Gas consortium
6 had a larger membership, a much higher profile.

7 I know we have been seen with this
8 proposal as sort of a back runner, but it's changing in my,
9 -- I know this is a partisan view to give you, but it's -- I
10 think it has to be really honest about -- in interpreting
11 what we see -- I've just come away from three days this week
12 in Ottawa and as thorough a reading of how things are going
13 in the thinking of the Government of Canada as I could guess,
14 and I've had the corresponding reading from Washington.
15 I don't think there's any doubt at all now, that this route
16 in this proposal is very very seriously under consideration
17 as the -- as a conclusion that may be attempted to negotiate
18 between the two governments and that very soon.

19 The other very strong impression
20 is that the President of the United States and the Prime
21 Minister of Canada will be trying to bring their agreement
22 together before that September 1 deadline and with very strong
23 pressures for a conclusion in the month of August. I just
24 report that as part of the atmosphere that we see and with
25 attention focussing very strongly on this particular route
26 and project and associated with it, the continuing question of

1 whether eventually there will be a Dempster Highway --
2 eventually or immediately, there should be a Dempster Highway
3 appendage to connect the Mackenzie Delta gas in that direction.

4 Our own answer is consistently that
5 the decision necessary this year is the decision of where
6 and how the Alaskan gas should move, if it should move across
7 Western Canada at all, and that the decision on how the
8 Mackenzie Delta gas should later be connected, whether through
9 the Dempster Highway or down the Mackenzie Valley as a decision,
10 that while interesting and important, is not necessary to be
11 achieved this summer. It's a question we continue to hear all
12 the time, but the one report I feel I should give for your
13 record, is the -- what we read and although we're very much
14 in the middle of this -- I think we can also see some things
15 with some balance and fairness that there is really very
16 strong interest and support developing toward the Board
17 recommendations affecting -- related to this route and project.

18 I won't say more -- I'll listen for
19 a few days, if I may, and perhaps help back up anything that
20 John Burrell is asked or speak mainly through him.

21 Just to complete our -- the dis-
22 closure of who's in town, the person with me is not an officer
23 of Foothills. She's a horse breeder and operates a horse
24 ranch and I'm her father and we're travelling together for
25 these days. Thanks very much for the first opportunity to
26 address you.

1 MR. CHAIRMAN: Thank you, Mr.
2 Blair, for those interesting comments. We shall look forward
3 to your company over the next few days and to the submission
4 that you'll be making to the formal hearings in Whitehorse
5 in due course.

6 We're going to be adjourning if not
7 before, in about fifteen minutes, but there is time if anyone
8 has a statement to make or a question that they would like to
9 ask at this point. We'll be reconvening this evening of
10 course at 7:00 o'clock. Yes sir?

11 BILL WOOLSEY, Sworn.

12 MR. WOOLSEY: You hear a lot of
13 things about this Native question, nowadays -- they say there is
14 nothing in it for us to go along with this pipeline and they
15 feel they're going to be left out in the cold. I'm just
16 wondering if Mr. Burrell or Mr. Blair has every come up and
17 talked to this Yukon Native construction that's been formed
18 and offered them something concrete so they could have some-
19 thing to take back to their people and say well now, we are
20 going to get something from this pipeline.

21 I was wondering if they'd ever
22 come up with anything like this for the Natives.

23 MR. BURRELL: Certainly, we're
24 going to give preferential treatment to the Yukoner, in
25 general, and certainly the Native organization, the contrac-
26 tors' association is one of those. We have had some dis-

J. Burrell

1 cussion with the people in the organization. We intend to
2 have more. We will be establishing what we refer to as a
3 bidders list, which will enable people to be involved -- the
4 companies to be involved with the construction of the pipeline
5 in the areas where they have the capabilities of doing so.

6 We'll be working, not only, well our-
7 selves, but with the businessman to develop this bidders list
8 and determine what their capabilities in, as I say, in con-
9 junction with them. As far as the involvement of the Native
10 organizations, I think you have to look at what Trunk Line
11 has done in particular, as just an indicator of what the in-
12 tentions of Foothills would be because certainly, the policies
13 of Trunk Line and Westcoast will be transferred over to Foot-
14 hills and we will continue to use those and build upon them.
15 I think that's one of the strengths of our organization, is
16 that we do have the expertise and the background of these two
17 companies.

18 Trunk Line for example has started
19 the Nortran Program. It has got involved with the -- with
20 Native organizations in awarding contracts for the clearing
21 of right-of-way, where they've guaranteed work to the organi-
22 zation over a three year period, to enable them to build up
23 their organization and go forward from there. Trunk Line has
24 in the past, provided prepayment of funds to organizations to
25 enable them to get started so that they can take over and
26 advance their own construction activities and their business.

1 They have at times too, put people
2 into organizations to help them in the initial goal to get
3 some organizational background so that they can then advance
4 on their own. This whole approach will be transferred to
5 the Yukon and we'll, as I say, build upon it and certainly
6 we will be working closely with the Natives construction
7 group to give them the work that they're capable of doing,
8 based upon, as I say, and working on the background that
9 we've had with Westcoast and Alberta Gas Trunk Line.

10 MR. WOOLSEY: Thank you.

11 MR. CHAIRMAN: May I ask if anyone
12 else has a view to express or a question at this stage? If
13 not, we're quite close to 5:00 o'clock. I'm going to propose
14 that we adjourn now and resume proceedings at 7:00 o'clock.

15 Thank you very much for coming out.

16 (PROCEEDINGS ADJOURNED) .
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Pipeline Inquiry.

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